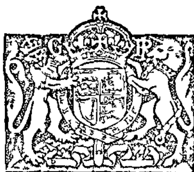


MILITARY ENGINEER SERVICES ACCOUNT CODE

WITH APPENDICES

(Corrected up to and including December 1928, issue of Amendments to Regulations Books and Forms)

CALCUTTA GOVERNMENT OF INDIA
CENTRAL PUBLICATION BRANCH
1929

CONTENTS

PART I

PREFACE

The rules in this Code describe the accounts maintained in respect of transactions of the Military Engineer Services, the principles upon which they are based, and the procedure to be adopted for their maintenance They are to be read reasonably and intelligently and with due regard to the public service

No attempt has been made to legislate for necessary and self evident exceptions or for special circumstances

Subject always to the condition that the general principles prescribed in this Code are not infringed, any modifications to the detailed procedure necessitated to suit the local requirements of each area will be made by the Controllers of Military Accounts concerned in consultation with the Chief Engineer of the Command, but all such changes will be intimated to the Military Accountant General for confirmation

G M YOUNG,

Secretary,
Army Department

DEFINITIONS

The terms used in the Code are adopted in the sense explained below —

1 Administrative Approval

This term denotes the formal acceptance by the administrative department concerned of the proposals for incurring any expenditure in the Military Engineer Services on a work pertaining to that department

2 Assets

This term indicates all outstanding or anticipated credits in the accounts of works which have to be taken in reduction of final charges

3 Book Transfer

T ... financial transactions whic ... of cash or of stock are brou ... ither affect the books of a single accounting officer or they may affect the books of more than one accounting officer whose accounts are ultimately incorporated in the accounts of Government They usually represent liabilities and assets of Government brought to account either by way of settlement or otherwise but they may also represent corrections and amendments made in cash stock, etc of transactions previously taken to account

4 Budget Classification

The heads under which the M E S operate are as follows —

Grant Head	Military Services
Major Head	50—M E S
	48—Army R A F
	Etc
Main Head	A—Works
	B—Maintenance—Buildings, Communications etc
	Etc
	See Appendix I
Sub Head	1—Accommodation
	2—Hospitals
	Etc
	See Appendix I
Detailed Head	(a) Officers Quarters and Mess
	(b) British Troops
	Etc
	See Appendix I

and given to Army Headquarters, Commands Districts, or Brigade Areas, for the execution of Major Works (other than those for which specific sums are provided) or of Minor Works, or of Maintenance and other Main Heads and Sub Heads

The term ' Allotment denotes a sum set apart for the execution of a specific major work or an amount given from an Army Headquarters Command District, or Brigade Area, grant to a lower formation for the execution of any work or works It is also frequently used to denote the specific sum set apart for expenditure on a definite detailed estimate or requisition

The term ' Appropriation " is sometimes used and may be taken as synonymous with the term Allotment '

13 Issue Rate

This term denotes the cost per unit fixed in respect of an article borne on the stocks of the Military Engineer Services at a valuation for the purpose of calculating the amount creditable to stock account by charge to the account or service concerned

14 Liabilities

This term includes all anticipated charges which will be adjusted as final charges but have not been paid, regardless of whether or not they have fallen due for payment or, having fallen due have or have not been placed to the credit of the persons concerned

15 Major Work.

A Major Work is a new work costing more than Rs 10,000

16 Minor Work

A Minor Work is a new work the cost of which does not exceed Rs 10 000

17 Market Rate

When used in respect of an article borne on the Stock accounts of the District this term indicates the cost per unit at which the article or an article of similar description can be procured at a given time from the local public markets

18 Operation

Used in respect of the accounts of manufacture and workshop transactions, this term indicates the charges incurred on the manufacture operations connected with specific jobs

19 Outturn

Used in respect of the accounts of manufacture and workshop transactions this term denotes the value of the finished product (or of the work done, in cases in which the articles wrought are not supplied departmentally) of manufacture operations connected with specific jobs

INTRODUCTION

The main features of the system of M E S Accounts are —

(a) The Military Engineer Services are organised in Commands under Chief Engineers in Districts under Commanding Royal Engineers in Divisions under Garrison Engineers and in Sub Divisions (Buildings and Roads or Electrical and Mechanical) under Sub Divisional Officers (or in Barrack Masters charges)

(b) The actual works carried out by the Military Engineer Services are usually under the immediate charge of Sub Divisional Officers (or Barrack Masters in the case of Furniture)

(c) In order to conform with (b) above accounts are as a general principle kept separately by Sub Divisional charges and are maintained in such a situation that they can be seen at any time by the Military Engineer Services Officer (Commanding Royal Engineer Garrison Engineer Sub Divisional Officer) concerned

(d) A Unit Accountant of the Military Accounts Department (with necessary accounts clerks) is appointed to each Military Engineer Services Division The accounts of the whole Division will normally be kept in the Unit Accountant s Office but in certain cases where a Sub Divisional Officer is located in an out station he may be appointed as an Accounting Sub Divisional Officer and the accounts of the Sub Division will be maintained in his office

The Military Accounts Department personnel in an accounting sub divisional officer s office are directly under the orders of the Garrison Engineer s Unit Accountant

(e) A Unit Accountant of the Military Accounts Department (with necessary accounts clerks) is also appointed to the office of each Commanding Royal Engineer

(f) The initial classification and compilation of accounts is carried out by the Unit Accountant in the office of the Garrison Engineer for each Division

To enable this to be done each accounting Sub Divisional Officer will forward at the end of every month to the Garrison Engineer s Unit Accountant all original vouchers and such accounts etc as the latter may require for the classification and compilation of the accounts of the whole Division

(g) The monthly accounts of Divisions are forwarded to the Commanding Royal Engineer's office where they are consolidated by the Unit Accountant and forwarded to the Controller of Military Accounts concerned

Military Engineer Services Account Code.

PART I

1 **Extent of application of the Code**

The rules in this Code describe the procedure for the upkeep and compilation of the accounts of the Military Engineer Services These rules are supplementary to the general rules in the Civil Account Code Volume I and the rules in Financial Regulations for the Army in India which are generally applicable to the Military Engineer Services except as otherwise laid down in this Code

The rules in this Code will be applicable to all classes of expenditure operated on by the Military Engineer Services including work done by the Military Engineer Services for the Civil Department Royal Air Force, Army Ordnance and Clothing Factories etc

Any provisions in this Code relating to the requirements of Audit and Accounts are subject to the approval of the Auditor General from time to time

The rules in this Code are not applicable to the accounts of irrigation revenue and expenditure in Baluchistan which will be maintained in accordance with the general rules and instructions on the subject laid down in the Public Works Account Code and special orders on the subject

A book of forms containing all the forms referred to in this Code is published separately The serial numbers affixed to the forms in this Code are those given in the Form Book

2 **Duties and organization of Military Engineer Services**

(a) On behalf of the Army the Royal Air Force and the Royal Indian Marine (see Regulations for the Military Engineer Services) the Military Engineer Services are responsible for the construction and maintenance of engineering works the operation of installations the supply of furniture the payment of certain fixed charges and furnishing information required for the collection of rents except in certain cases where these duties are carried out by the Public Works Department In certain areas the Military Engineer Services are responsible for the execution and maintenance of civil works and may be called upon to undertake work on behalf of Cantonment Boards or Local Bodies

(b) The Engineer in Chief is the administrative head of the Military Engineer Services in India

(g) In each 1st class District a departmental officer of the Barrack Department is appointed to carry out the duties of District Stores Officer

In a 2nd class District the Commanding Royal Engineer will appoint an officer to carry out the duties of District Stores Officer in addition to his other work, this officer will usually be assisted by an Assistant (whole or part time, in accordance with local conditions) appointed from the approved establishment of Barrack Department personnel

The District Stores Officer will be in general charge of the stores (including furniture and tools and plant) in the district He will have no powers except as the representative of the Commanding Royal Engineer and wherever in this Code duties are allotted to him it is to be understood that such duties are performed by him on behalf of the Commanding Royal Engineer

Stores will be under the charge of Stockholders who may be either Storekeepers Sub Divisional Officers, Barrack Masters, or Superintendents of Installations Stockholders will be directly responsible for the custody and preservation of the stores in their charge and for such accounts relating thereto as they may be required to keep under the rules contained in this Code

3 Duties and organization of the Military Accounts Department personnel working with the Military Engineer Services.

(a) A Unit Accountant with the necessary number of accounts clerks will be attached to the office of every C R E

His duties on behalf of the C R E will be to keep the accounts and render the necessary returns in connection with Stock for the whole District and in connection with expenditure and revenue operated directly by the C R E himself and to check all bills in connection therewith He will also be responsible for maintaining such records and accounts as may be required by the C M A for the purposes of compilation

(b) A Unit Accountant with the necessary number of accounts clerks will also be attached to the office of every G E

His duties will be similar to those of the C R E's Unit Accountant that is to say he will carry out all accounting work on behalf of the G E and will at the same time maintain such additional accounts as may be required by the C M A

(c) In the case of second class districts it will generally be possible to combine the offices of the C R E and of the G E of the same station as that in which the C R E's office is located If this can be done a single Unit Accountant will suffice for both the C R E and the G E

(f)—contd

sarily delay payment or may otherwise be impracticable in certain localities post audit will be carried out

NOTE 1 —The extent to which expenditure will be pre audited or post audited and the extent to which such audit will be carried out locally or centrally is left to the discretion of the C M A concerned in consultation with the C E in accordance with local conditions

NOTE 2 —The term Audit Officer when used in this Code means the M A D officer appointed by the C M A to carry out audit and make disbursements under his orders

4 Provision of Funds for Engineer Services

(a) Funds for expenditure on the execution of Engineer Services in accordance with the regulations are placed at the disposal of the M E S annually on 1st April in the Budget Estimates and subsequently in the orders of competent authority They are accounted for under Budget Heads (Major Heads Main Heads Sub Heads, and Detailed Heads)

These funds are allotted in the Budget Estimates to specific Major Works or to Minor Works or to Maintenance or other Main Heads

The Major Heads of Expenditure operated against by the M E S are —

50—Military Engineer Services

48—Army

41—Civil Works

29 A—Frontier Watch and Ward

49—Marine

55—Irrigation (Baluchistan only)

Work is also carried out against funds obtained from deposits made by the Department of Posts and Telegraphs local bodies and private individuals etc

The corresponding Major Heads of Revenue are —

XXXVIII—M E S

XXXVI—Army

XXX—Civil Works

XXXV—Miscellaneous

XXXVII—Marine

XIII and XIV—Irrigation

Main Heads Sub Heads and Detailed Heads are given in Appendix I

Before any expenditure may be incurred the following conditions must be fulfilled except as provided for in the Regulations for the M. E. S. —

(a) *Administrative Approval*

This means the approval of the competent administrative authority (see Regulations for the M. E. S.) to the execution of a work at a stated cost.

In the case of Major Works a Plinth Area or Abstract Estimate is usually prepared by the M. E. S. and submitted to the administrative authority before approval is accorded.

In the case of Minor Works administrative approval is accorded to the execution of each separate work at a stated cost. No estimates are required but an approximate cost in each case is usually called for from the M. E. S.

In the case of Maintenance, etc., sub-heads the Schedule of Demands is the annual estimate which is submitted to administrative authority. When an allotment is given on any such sub-head it implies administrative approval to the execution of work to that extent.

(b) *Technical Sanction*

This is accorded by the Competent Engineer Authority (see Regulations for the M. E. S.) either to a Detailed Estimate or to a Requisition.

In a detailed estimate full detailed measurements are entered, and measurements of work done are recorded and abstracted in a measurement book. A detailed estimate is required for any single work estimated to cost more than Rs. 3,000 except as otherwise prescribed in this Code.

In a requisition only such details need be given as will satisfy the sanctioning authority that the estimated amount will be sufficient to cover the actual cost. Measurements of work done are entered and abstracted on the requisition form itself.

(c) *Allotment*

Funds must be definitely allotted to each detailed estimate or requisition sanctioned by competent engineer authority.

Such allotments are made by the accounting officer concerned from bulk allotments at his disposal.

In exceptional cases in which work has been done without either administrative approval, technical sanction or allotment, payment cannot be withheld. In such cases the executive officer concerned is responsible for bringing the matter immediately to the notice of the C. R. E. who will take prompt steps to regularise the transaction.

(d) (ii)—contd

ing sanction and allotment of funds from the G E as soon as possible

(iii) A S D O requires the written authority of the G E before commencing work on any detailed estimate or requisition which has not had endorsed on it the Expense Ledger and Job Number, the certificate of entry in the Job Ledger, the Technical Sanction and the allotment of funds

(iv) When the work is completed and measured the S D O concerned submits the bill in duplicate to the G E The bill must be allocated by the S D O in accordance with the form given in Appendix III If the expenditure has to be recorded in more than one Expense Ledger a separate allocation will be required for each Expense Ledger

In the case of a detailed estimate the bill will be accompanied by a copy of the abstract (of the detailed estimate) and of the Technical Deviation Sheet (I A F W 2155 Serial No 22), as well as by the measurement book in which the measurements will be abstracted and priced (see para 60)

In the case of bill in payment of a requisition or requisitions there will be attached to the bill each with a priced abstract of the measurements recorded on it

(v) The G E signs the measurement book (below the priced abstract) and the bill, and passes the bill, with attached documents, to his U A The latter checks the bill and, if any corrections are made, returns it to the G E for amendment of the allocation

The U A then forwards both copies of the bill to the Audit Officer for audit and issue of cheque The measurement book will not be sent to the Audit Officer but the U A will before passing the bill make and sign the following endorsement on the bill —

Checked with the measurement book and passed for Rs ———— on————

(vi) After auditing the bill the Audit Officer will enter on both copies the number and date of the cheque issued and return the duplicate copy with a cheque to the G E

The G E will make the payment, and pass the bill with the contractor s receipt attached to his U A

The U A will make the necessary entries in the Expense Ledger, file the duplicate copy of the bill and forward the contractor's receipt to the Audit Officer

NOTE —The U A will keep a schedule (I A F W 2248 Serial No 64) of all bills passed to the Audit Officer for audit and payment [see para 17 (h)]

10. Powers as regards signing accounts and other documents

(a) An A. C. R. E. or any other officer deputed by the C. R. E. is authorised to sign, on behalf of a C. R. E., all accounts and other documents, excepting that he may not exercise the financial powers of a C. R. E. as laid down in the Regulations for the M. E. S., such powers being personal to the holder of the appointment.

(b) A G. E. may authorise an Assistant G. E. to sign on his behalf all accounts and other documents, and also to exercise financial powers not exceeding those allowed by Regulations for the M. E. S. to a G. E. either during the absence of the G. E. or in respect of any funds which the G. E. may place at the disposal of the Assistant G. E.

Such delegation of powers does not relieve the G. E. of his responsibility for the whole of the accounts, etc., of his Division.

(c) The C. R. E. may delegate to any officer irrespective of the appointment which he may hold (*e.g.* A. C. R. E., D. S. O., etc.), financial powers not exceeding those allowed by Regulations for the M. E. S. to a G. E. Such powers will be delegated to an individual by name and each case will be notified to the C. R. E.'s U. A. for inclusion in the register of incumbents of charges [see para. 72 (*a*)].

11. Deposit Accounts

No officer of the M. E. S. may have a deposit account with a treasury or bank in his public capacity.

12. Register of Grants

(a) The original grant for expenditure for the year is shown in the budget estimates. On behalf of the C. R. E. the U. A. will maintain in the Register of Grants (I. A. F. W. 2244, Serial No. 61) a record of all allotments to Major Works and grants shown in the budget estimates and all modifications made thereto which may be communicated by higher authorities. He will also show therein all allotments made from the District grants to G. Es. and to works operated by the C. R. E. himself.

(b) A sufficient number of pages in the register will be allotted for each major head of expenditure to admit of the grants and allotments being shown under main heads and sub heads or detailed heads.

(c) On behalf of a G. E. his U. A. will also maintain the Register of Grants. In it he will record all allotments made to the G. E. by the C. R. E. and all allotments made by the G. E. to Sub Divisions or to works operated by himself.

(b) The Cash Book will be closed and balanced on the 5th, 15th, and 25th, of each month or on such other dates as may be arranged with the concurrence of the C M A except as provided in (d) below

After the final closing on the 25th the balances of columns 5 and 6 should be nil

The accounting officer will sign the Cash Book and certify that the cash balance as shown thereon is actually in his possession

(c) The Cash Book is not maintained by the M A D, but the accounting officer will arrange for it to be kept in such a situation that it can be examined by the U A (or accounts clerk of an accounting S D O) at any time Whenever the Cash Book is closed all connected vouchers will be handed over to the U A

(d) In the case of an accounting S D O the Cash Book will be closed and balanced on the 25th of each month A copy of the Cash Book with all connected vouchers will be sent to the G F in accordance with para 75 (c)

(e) The accounting officer's Imprest (see para 14) will be recorded in column 4 of the Cash Book

(f) Cheques received from the Audit Officer for payment of Establishment or Casual Personnel will be entered and disbursed under column 5 Any amounts left unpaid from such cheques may be transferred to column 4 as a credit to Imprest, but if the authorised limit of the Imprest is thereby exceeded such amounts will be transferred to column 6 and paid into treasury as early as possible

(g) Miscellaneous cash receipts may be credited to Imprest provided that the authorised limit is not thereby exceeded otherwise they will be entered in column 6 and paid into treasury as soon as possible

(h) As soon as possible after the 25th of each month the U A will check and classify the amounts paid, debiting them to the heads concerned

The U A will also prepare a summary of the amounts recorded in column 4 of the Cash Book which are due to be paid into treasury He will forward this summary to the C M A before the end of the month to enable him to draw a cheque in his own favour on the treasury for the amount thus utilized This cheque will be endorsed by the C M A with the words ' Received payment by transfer credit to the Military Engineer Services "

(i) Copies of all Cash Books accompanied by original vouchers excepting those which have already been sent to the Audit Officer (e g contractors' bills and receipts) will be forwarded by the U A concerned to the Audit Officer as soon as possible after the closing dates [see sub paras (b) and (d) above]

(e)—contd

Receipt Books will be kept and issued by the C R E 's U A who will maintain a register showing the name of the individual to whom each book was issued, etc , in a similar manner to Measurement Books [see para 60 (b)] Issues will be made on the demand of the G E to named individuals

Each page of the book will be machine numbered serially and on no account may a page be torn out

All receipt *books will be kept under lock and key* in the personal custody of the individual concerned

The accounting officer, etc , concerned will be responsible that the counterfoils of the receipt book are checked against the entries in the Cash Book This check should, if possible, be made at the time that the receipt is issued the entry in the Cash Book and the counterfoil of the receipt book being initialled simultaneously

(f) In the case of amounts received by other than an accounting officer [see sub para (d) above] the amount should be remitted to the nearest accounting officer or paid *into the nearest treasury as soon* as possible In the latter case the treasury receipt together with the particulars of the receipt should be forwarded to the accounting officer concerned who will enter the transaction in his Cash Book The accounting officer will give a receipt [see sub para (c) above] to any individual who [illegible] thus remit to him [illegible] a treasury receipt

17 Payments

(a) Payments are made either from Imprest (see para 14) or by cheques issued by the C M A

When the amount of *the* Imprest is not sufficient to meet the total amount of the bills and muster rolls to be paid, a cheque for the amount necessary will be obtained from the C M A who will issue *the same on demand When making* a demand the name of the treasury on which the cheque is required and the work or budget sub-head concerned must be stated Such cheques are recorded in column 5 of the Cash Book (see para 15)

(b) A C R E or G E is authorised to pay all muster rolls irrespective of the amount, and at the discretion of the C E any bill up to Rs 2,500

An accounting S D O is similarly authorised to pay any muster roll up to Rs 100 and any petty bill up to Rs 25

Such muster rolls and bills will be checked prior to payment by the U A (or *Accounts Clerk) concerned*

They will be forwarded to the Audit Officer after payment in accordance with para 15 (i)

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(i) When it is inconvenient for an accounting officer to make payments in person to a contractor he is permitted to send cheques by registered post, in all such cases a declaration should be obtained from the payee in writing that he accepts the risks involved

When forwarding such a bill to the Audit Officer a note should be made (on the Schedule of Bills) that a crossed cheque is required, whenever the contractor is willing to accept a crossed cheque

The above procedure should only be adopted when dealing with reliable contractors

(j) Payments outside the district to other departments within the district, or to Indian States, will be arranged by the C M A

18 Scope of Sanction

Nothing in these rules is to be construed into a permission to officers *to carry out in portions any group of works or alterations or to* make purchases of which the cost in the aggregate would exceed what they are empowered to sanction under the rules The authority granted by a sanction to an estimate is strictly limited by the precise objects for which the estimate was intended to provide Accordingly it is not permissible to apply without the sanction of the competent authority, any anticipated or actual savings whether due to the abandonment of a part of a work or to any other cause on a sanctioned estimate of a definite project to carry out additional work not contemplated in the original project or which is not fairly contingent on its actual execution

19 Expense Ledger

(i) Expenditure on a work may be either on account of cash expended or value of stores In addition there may be similar charges incurred in other districts or departments or any cash receipts on account of issue of stores etc which are taken in reduction of expenditure (see Appendix V)

An Expense Ledger (I A F W 2242 Serial No 59) is used for recording as they occur the actual financial transactions in connection with any work

No attempt should be made to arrange entries in such a way as to facilitate budget control this object is effected by the use of Job Ledgers

Entries in an Expense Ledger must always be made in ink Pencil entries are forbidden

Expense Ledgers will be loose leaf and will be placed in files a separate file being kept for the Expense Ledgers pertaining to each Sub Division (see Appendix IV Note 2) The Ledger will be

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(d) (iii)—contd
senting the proportion of the original liability which it is estimated that this expenditure entry cancels. Obviously the entries in the expenditure and in the "cancelled liabilities" columns will not necessarily be the same.

(e) An entry will be made in the expenditure column of an Expense Ledger whenever —

(i) A payment is made of any kind.

(ii) A cheque for disbursement is received from the Audit Officer and is paid or despatched to the contractor.

(iii) A transfer voucher for stores received from Stock or M. A. S. Account, or from sources within the District, is accepted.

(iv) Stores obtained from sources outside the District are received. The amount entered in the receipt voucher will be the *amount* indicated in the Stores Order.

(v) A transfer voucher on account of transport is received from the Indian Army Service Corps.

(vi) A transfer voucher on account of work done is received *from* a Workshop.

(vii) A transfer voucher of any other kind [see para. 2 (a) and ( )] which affects the accounts of a work, *is accepted*.

Every expenditure entry must be supported by a voucher (muster roll, hand receipt, contractor's bill, *write back order*, transfer voucher, receipt voucher, etc.)

All vouchers which affect an accounting officer's Expense Ledgers and which *do not emanate from* the accounting officer must be sent to him at *once*. No expenditure entry may be made in an Expense Ledger until the voucher relating thereto has been "*allocated*" by the S. D. O. or accounting officer concerned.

When making an expenditure entry *in an Expense Ledger* to which a Job Ledger is attached the *allocation* to the Job or Jobs will be entered in the "*Remarks*" column, *e.g.* —(J. 17—Rs. 37)
or where an expenditure entry covers more than one Job —(J.)—Rs. 225 6) (J. 14—*Rs. 2 8)* (J. 21—Rs. 78 9) etc.

(f) Charges on account of *establishment* and tools and plant are booked under the corresponding *Main Heads* of the Budget. They are not debited against the estimates for works, *except*—

(i) when establishment charges are debited *direct to* a work under Regulations for the M. E. S.

(ii) when tools and plant charges are debited direct to a work under para. 37 (*k*),

(a)—contd

These "Jobs" are usually the Detailed Estimates and Requisitions which have been sanctioned against the bulk allotment to a Major Work or Maintenance, etc, sub head or detailed head (see Appendix IV)

The monthly entering up of the Job Ledger is a simple matter as *the allocation to Jobs of each expenditure entry is noted in the* Remarks column of the Expense Ledger [see Para 19 (e)]

Job Ledgers will be "loose leaf" and will be filed in Budget order by Sub-Divisions in exactly the same way as Expense Ledgers

Expense Ledgers and Job Ledgers will be kept in separate files

Entries in the month columns of the Job Ledger must always be made in ink Pencil entries are forbidden

As in the case of Expense Ledgers, separate sets of Job Ledgers will be kept for each Major Head

(b) Job Ledgers are used to —

(i) Enable an accounting officer or S D O to maintain a proper control over expenditure [see sub para (j) below]

(ii) Assist the Accounts Branch in keeping a constant watch on Administrative Approval, Technical Sanction, Allotment, and actual Expenditure, in the case of each separate Job

(iii) Produce information required for the purposes of audit and compilation

(iv) Enable *the necessary amendments* caused by *new works* or renewals to be made in capital registers, *e g*, Annual Returns of Public Military Buildings

In the Expense Ledger financial transactions are entered as they occur without any regard to attaining the above objects

In the Job Ledger the same expenditure as is recorded in columns 5 and 6 of the Expense Ledger is split up into convenient "Jobs"

(c) It is sometimes desirable to make a further sub division into "sets of Jobs"

For this purpose a separate Job Ledger will be kept for each set of Jobs and a separate series of Job Numbers will be allotted to each such Job Ledger For example—under Sub-head B 5—Maintenance—Miscellaneous—it may be considered necessary to keep separate Job Ledgers and to allot Job Numbers as under —

Appropriated Bungalows—	Job Item Nos 1 to 499 (say)
Rifle Ranges—	Job Item Nos 500 to 599 (say)
Miscellaneous Items—	Job Item Nos 600 etc

In all cases where more than one Job Ledger is maintained in connection with a single Expense Ledger, a "Summary" Job Ledger will also be maintained

(i)—contd.

Ledger will be entered monthly in the first line of the Job Ledger (Summary Job Ledger if more than one Job Ledger is maintained in connection with the work, etc)

The figures entered in the month columns will be the difference (*plus* or *minus*) between the " Opening Balance " (if any) and the balance at the end of each month of the M A S Expense Ledger [see para 50 (*e*)]

(*j*) The use of the Job Ledger for controlling expenditure is effected as under.—

(i) By adding together the figures entered in the last (March Supplementary) month column the expenditure on completed Jobs is obtained

(ii) By adding together the uncancelled figures under " Amount of Allotment the total of the funds allotted to uncompleted Jobs is obtained

(iii) The addition of (i) and (ii) when compared with the bulk allotment (which is entered at the top of the Job Ledger Form) gives the correct financial position of the work or budget sub head to the end of the last month entered up

NOTE —In cases where a M A S Account is involved [see sub para (i) above] any probable difference between the opening and closing balances of the year will affect the amount available for expenditure and must be taken into consideration

The above gives a far better view of the financial position than can be obtained from the Expense Ledger as it takes into account every uncompleted Detailed Estimate or Requisition which has been sanctioned, given an allotment, and issued for execution

The degree of accuracy of such a statement is only limited by the accuracy of the Estimates or Requisitions on which the allotments to Jobs have been given

(*k*) The G E will always maintain copies of the Job Ledgers of all Major Works being carried out by an accounting S D O

A C E or C R E may, if he so desires maintain a copy of the Job Ledger of any Major Work

In order to enable these Job Ledgers to be posted up monthly a return on the Monthly Expenditure Return Form (I A F W-2251, Serial No 67) for each such Major Work will be submitted by each M E S Formation to the next higher Formation as required

21. Register of Expenditure

(*a*) The Register of Expenditure (I A F W 2250, Serial No 66) is maintained by the U A or accounts clerk concerned in the

(g) A C E will also maintain a "Register of Revenue" (on I A F W 2250, Serial No 66) which will be entered up from the Monthly Revenue Returns of C R Es [see para 54 (a)]

22 **Monthly Expenditure Return**

(a) The Monthly Expenditure Return (I A F W 2251, Serial No 67) is submitted by each M E S Formation to the Formation next above, as under —

By accounting S D Os to reach G E by 12th of next month

By G Es to reach C R E by 18th of next month

By C R Es to reach C E by 24th of next month

(b) The Monthly Expenditure Return of each accounting officer is a copy of the black ink entries of the Register of Expenditure, and will be compiled, in the office of each accounting officer, by the U A or Accounts Clerk concerned

(c) A separate Return will be submitted for each Major Head

(d) Separate Returns may be required for specific Major Works [see para 20 (k)]

(e) In the Monthly Expenditure Return two columns are provided in which are entered separately liabilities on account of Stores Orders, and other liabilities these entries are made from the "liabilities" column (Col 8) of the Expense Ledgers and from the monthly expenditure returns received from lower formations

23 **Register of Approvals**

Administrative Approval and Technical Sanctions to works the expenditure on which is directly recorded in Expense Ledgers will not be entered in the Register of Approvals as these are recorded in the Job Ledgers All o[illegible] (e g, payment of rent for railway [illegible] etc) which involve expenditure of Go[illegible]ered in the Register of Approvals (I A F W 2252 Serial No 68)

The Register of Approvals will be maintained in the office of every accounting officer by the U A (or Accounts Clerk) Separate Registers will be maintained for each Major Head

(c) (ii) recovering the value of stores issued to, or work done for, other Departments or private individuals

(iii) a receipt voucher for stock when no issue voucher or invoice has been received or when it is undesirable to use the issue voucher or invoice

(iv) issue and receipt vouchers for all stores, furniture, and tools and plant, whether issued finally, on loan, or on deposit for repairs in workshops

(d) The Transfer Voucher Form will be used when the M E S are the supplying agency to other departments or individuals, but the forms furnished by the supplying agency will be used when the M E S are the demanding agency

(e) The U A (or Accounts Clerk) is responsible that —

(i) no transfer entry is made in the accounts unless admissible under the rules,

(ii) a transfer entry is made as soon as it becomes necessary,

(iii) transfer vouchers in respect of transactions falling under (a) (i) and (a) (ii) above prepared by an accounting S D O are countersigned by the G E in token of acceptance

The U A concerned will ordinarily bring to the notice of the C R E or G L all transfer vouchers which relate to errors and incorrect allocation

(f) The transfer voucher will contain such explanation of the correction or adjustment proposed to be made as will establish clearly the correctness and necessity of the entry

In cases of corrections involving a reduction in the charges against the estimate of a work the full particulars of the vouchers and accounts together with the circumstances in which the charges in question were originally wrongly allocated, will be specified

(g) All transfer vouchers will be posted in a Transfer Entry Book (I A F W 2204 Serial No 70) maintained by the U A (or Accounts Clerk) concerned for all classes of transactions relating to their respective accounts

The entries pertaining to each month will be totalled monthly and the U A will see that no adjustments which are required under rules have been omitted

The entries will also be posted in the expense ledgers etc concerned

(h) Except as elsewhere specified for receipt and expense vouchers etc three copies of a transfer voucher will be prepared They will be marked "Original", "Duplicate," and "Triplicate",

(c) Payments will be made in the presence of the G E or S D O [see para 17 (g)] who will complete the entries in the muster roll and pass the voucher to the U A (or Accounts Clerk) concerned at once except when the payment is made from imprest

(d) In exceptional and urgent cases, when mustering labour would cause dangerous delay, e g , repair of a dam, burst water mains, etc the number of labourers of each class and number of days worked need only be entered on a Casual Labour Roll (I A F W 2256 Serial No 72) The men may, if it is not possible to engage them direct, be engaged through a contractor whose commission must be agreed to beforehand and a written agreement signed by the G E and the contractor The contractor's commission may be either included in the rates for labour or entered as a separate item A report of the circumstances and expenditure involved must be made at once to the authority competent to accord sanction to the work

(e) Standard labour rates will be approved by the C R E and included in the District Schedule of Rates

(f) If so ordered by the G E , and always when mustering is dispensed with, a Labour Report (I A F W 2257, Serial No 73) is to be sent daily to the G E as soon as work is started

27 **Casual Personnel Bill**

(a) The Casual Personnel Bill (I A F W-2258 Serial No 74) is used for the payment of all casual personnel who are paid at monthly rates (see Regulations for the M E S)

It will be prepared in duplicate by the accounting officer and passed through the G E to the G E s U A by the 25th of the month The G E will certify that the establishment for whom full pay was drawn in the previous month worked for the entire month

The U A will check the bill and despatch both copies to the Audit Officer after entering it in the Schedule of Bills [see para 17 (h)] The subsequent disposal of the bill will be as laid down in paras 6 (d) (vi) and 17 (h)

When the services of an individual are dispensed with before the close of the month it is permissible to settle his account during the month

Income tax deductions from casual personnel will be recorded separately and credited to the head ' Income Tax "

(b) Payments will be made in the presence of the G E or S D O [see para 17 (g)] who will complete the entries in the bill and pass the voucher to the U A or Accounts Clerk concerned at once.

(c) (ii) If the whole or any part of the expenditure on the work is recoverable from another department, local body, or individual or if any portion of the amount deposited by the department etc, should be refunded, action will be taken and the necessary adjustment carried out (see also paras 53 and 74)

(v) Entries in the ' Contractors columns of the expense ledger must be compared with the Contractors' Ledgers and any recoveries due from or payments due to contractors in connection with the work must be effected [see also para 66 (f) and (g)]

(vi) All tools and plant issued to contractors will be withdrawn and any losses dealt with under the rules laid down in para 68 (f)

(d) As soon as all action has been taken as described in sub para (c) above a Completion Report (I A F W 2266 Serial No 81) will be submitted by the G E, after check by his U A to the C R E

In the case of works administratively approved by the General Officer Commanding in Chief Command completion reports will be forwarded by the C R E through the C M A to the C E and returned by the same channel to the C R E who will be the office of final record in all cases except as stated below

For works administratively approved by the Secretary of State or the Government of India or the Quartermaster General in India, completion reports will be forwarded by the C R E through the C M A and the C E to the E in C or in the case of Royal Air Force works to the C E Royal Air Force They will be returned through the same channel to the C E who will in these cases be the office of final record

In all cases (except where the whole of a Major Work has been completed on a single detailed estimate) the completion report will ... on the Monthly Expenditure Return ... No 67) in which columns 3, 6 and ... tement will give particulars of the work item by item as detailed in the Plinth Area Estimate

30 Main Head A —Works—Minor Works

(a) Expense Ledgers and Job Ledgers for Minor Works will be maintained as laid down in Appendix IV

(b) Works costing up to Rs 150 may at the discretion of the C R E, be treated as repairs, except as otherwise laid down in Regulations for the M E S

(*e*)—contd

increase in the capital value will be transferred to Main Head A —Works by means of a re appropriation statement and a transfer voucher sanctioned by the C R E (see Regulations for the M F S), and the capital value of the building will be correspondingly increased in the registers concerned In the case of Renewals costing more than Rs 20,000 (see below) on completion of the work funds will be transferred in a similar manner from Main Head A to Main Head B

The above does not apply to the lines of Indian Troops which were built regimentally and have not been reconstructed by the M E S

A Renewal costing more than Rs 20 000 will always be treated as a Major Work [see para 29 (*b*)]

A Renewal costing up to Rs 150 will always be treated as a Petty Repair even though it may affect capital costs

Completion Reports will be submitted for renewals as laid down for Minor Works [see para 30 (*c*)]

(*f*) It is frequently difficult to decide whether a particular work should be classed as a Minor Work, a Renewal, or a Petty Repair In case of any dispute the decision of the C R E shall be final

(*g*) Sub heads B 2 and B 3—Maintenance—Roads

No discrimination will be made between repairs and renewals Detailed Estimates or Requisitions for definite works will be entered in the appropriate Job Ledger as soon as they receive technical sanction and allotment

(*h*) Sub head B 4—Maintenance—Furniture See para 32

(*i*) Sub head B 5—Maintenance—Miscellaneous

Such multiple Job Ledgers as are ordered by the C R E for each Sub Division will be maintained (see Appendix IV)

Rules regarding preparation of Detailed Estimates or Requisitions for petty or periodical repairs to buildings which come under this sub head will be the same as for sub head B 1

(*j*) Barrack damages must be entered upon a transfer voucher (see para 25) The cost of the work will be debited and the corresponding recovery (when effected) will be credited in the Expense Ledger of the sub head concerned

In the case of units or military officers etc, recovery will be effected through the C M A in the case of civilians payment will be made in cash [see para 16 (*b*)]

A Register of Barrack Damages (I A F W 2269 Serial No 83) will be maintained by the accounting officer concerned and will be test audited locally with a view to ensuring that recoveries are being promptly effected

PART I—*contd*

(d) (ii) Furniture Register (I A F W-2279, Serial No 89), wherein, on a separate page for each article, will be entered—

Receipts and issues from and to other divisions or districts

New articles manufactured or purchased under estimates for new supplies or renewals

Articles struck off on survey reports or loss statements, on I A F A 498 Serial No 115

(iii) A Furniture Distribution Ledger (I A F W 1814 Serial No 13) will be maintained for each unit by the Barrack Master and by the unit the Barrack Master will also maintain a ledger for each store for articles in stock not issued to units Any changes in the distribution will be supported by temporary vouchers the Barrack Master s and unit ledgers will be compared periodically vouchers may be destroyed after the annual verification has taken place and both parties have signed the ledgers

(iv) Transfer voucher books and Measurement Books

(v) Expense Ledgers [see sub para (b) above]

(vi) M A S Account or Stores in Hand Account for materials etc for repairs (See para 50 and 51)

(e) The Barrack Master (or Assistant Barrack Master) will submit to the G E contractors bills measurement books and muster rolls, in a similar manner to a S D O B and R

(f) The Barrack Master (or Assistant Barrack Master) will submit to the C R E , through the G E the following returns —

(i) Monthly Furniture Return (I A F W 2194 Serial No 32) which will be compiled from the Furniture Register and submitted on the 5th of the month accompanied by receipt and issue vouchers in support of the entries

The receipt vouchers referred to are prepared by the Barrack Master on I A F W 2253 Serial No 69 to support the entries in his Furniture Register when new articles are received, such vouchers will bear a reference to the number and date of the supplier s bill If an invoice is received this may be used as a receipt voucher

When new articles of furniture are manufactured by a Barrack Master he will prepare transfer vouchers and will bring the articles on charge in his ledgers

Articles need only be entered in the Monthly Furniture Re- turn in respect of which transactions have occurred the month, and *nil* returns will be rendered

All receipt and issue vouchers (including expense for articles surveyed off or lost) will be completed

(l) The D S O will be responsible for maintaining a "Furniture Rate List" (I A F W 2166, Serial No 26) showing the values of all articles of furniture (see Regulations for the M E S)

When a new design is approved the value of the article as assessed by the D S O will be approved by the C R E, entered in the Rate List, and intimated to the Barrack Masters concerned

33 **Main Head C —Maintenance and Operation—Installations**

(a) The Superintendent or Supervisor in charge of an installation will maintain —

(i) Daily Log Sheet
(ii) Plant Running Record } on the forms approved by the E in C for the particular type of installation

(iii) Stores in Hand Ledger (see para 51) This is used for installations where the value of the stores held does not exceed Rs 500 If this value must be exceeded the C R E will authorise the keeping of a M A S Account [see sub para (e) below]

(b) A Plant Record Book (I A F W 2208 Serial No 33) will also be maintained by the G E in connection with each installation

(c) The G E will submit the following returns for each installation —

(i) Monthly Return on —

I A F W 2301 (Serial No 106) for Electrical Installations

I A F W 2302 (Serial No 107) for Water Supply Installations

I A F W 2303 (Serial No 108) for Ice Installations

NOTE —In the case of small installations the C R E at his discretion may dispense with this return

(ii) Annual Return on —

I A F W 1785 (Serial No 5) for Electrical Installations

I A F W 1803 (Serial No 9) for Water Supply Installations

I A F W 1824 (Serial No 17) for Ice Installations

This return will be checked by the G E's U A in respect of the expenditure entered therein, and submitted to the C R E for disposal in accordance with the Regulations for the M E S

(d) Expense Ledgers and Job Ledgers will be maintained for the heads of Main Head C as laid down in Appendix IV

(h)—contd.

which are operated by the M E S on behalf of the other partners the payment made by such partners towards their share of operation and maintenance expenses, in return for water or electric energy, will be credited to Revenue if the recoveries are effected from private bodies, or in the case of local Governments are effected after the accounts of the year are closed; otherwise the recovery will be treated as reduction of expenditure

As regards transactions with the Royal Air Force, detailed rules are laid down in Regulations for the M E S Appendix E

NOTE—Interest on capital, depreciation charges, and "on costs" charges, will be included in the *pro forma* accounts only (see Regulations for the M E S as regards rates, etc) The "on costs" percentage will be levied on the booked expenditure as registered against the annual estimate for the installation [see sub-para (f) above]

34. **Main Head D.—General Charges.**

(a) A single Expense Ledger, with a Job Ledger (see Appendix IV) will be maintained in the office of each G E and in the office of the C R E for such sub-heads as the latter may wish to operate himself

(b) All approvals connected with General Charges will be entered in the Register of Approvals (see para 23) of the G E (or C R E) concerned

(c) No estimates need be sanctioned The expenditure will be checked against allotments

Allotments must not be exceeded and any unforeseen expenditure should be reported by the G E to the C R E at once

All vouchers on which payments are made must be allocated (see Appendix III) by the accounting officer concerned

(d) Recurring payments for railway sidings will be made by the C M A after the vouchers have been reviewed by the C R E Such payments will usually be booked in the Expense Ledger of the C R E for the whole District The vouchers will be passed to the U A concerned for effecting necessary adjustments and record

(e) The Barrack Master will, on the 5th of the month or more often if necessary, send a schedule to the G E in respect of the following charges —

(i) Rent for hired buildings

(ii) Rent for land

(iii) Rates and Taxes

(iv) Payments on account of compensation for quarters, e

(c)—contd

These credits will be recorded by —

(i) The C R E 's U A in the case of amounts paid or credited to the C R E or to G Es

Note —The G E s U A will intimate to the C R E s U A all departmental charges levied on works operated by the G E [see para 53 (f)]

(ii) The C M A concerned in the case of credits received by C Es

In this case the credits will be intimated to the C R E 's U A of the District concerned to enable him to carry out necessary adjustments

Similarly an account of the lump sum payments made to the P W D on account of departmental charges for work done for the M E S will be maintained by the C M A concerned, who will communicate to each C R E s U A the amounts to be adjusted in the latter s expense and job ledgers concerned The portion on account of audit charges is debitable to the M A D and will accordingly be compiled against the main and sub head concerned under 48—Army

(d) Officers will forward their salary bills on I A F A 35, Serial No 110 duly stamped and receipted so as to reach the C M A not later than the 25th of the month Fixed travelling allowances will be included in the salary bills After audit the C M A will pay officers in accordance with the rules laid down in Financial Regulations for the Army in India, Part I

The C M A will forward to the C R E, at the end of each month, an abstract showing the gross amount of salary drawn, total deductions made therefrom on account of income tax, house rent etc, and the net amount for which cheques have been issued The abstract will, after allocation by the C R E be passed to the U A for entry in the relevant Expense Ledgers etc

(e) A salary bill on I A F A 36 or A 38 Serial Nos 111 and 112 *for each office will be prepared monthly in duplicate by the head* of the office concerned The original after signature by the C R E or G E concerned will be submitted so as to reach the C M A not later than the 25th of the month The officer to whom the cheque in payment should be made payable and the name of the treasury will be shown on the salary bill

After audit the C M A will send the cheque together with a memorandum showing any changes made by him by the first of the month to the officer concerned who will pay out the amounts and will obtain the receipts of the payees on the duplicate copy

(f) Officers' travelling claims will be prepared on —

I A F T 1715 Serial No 122 (Permanent Duty)

I A F T 1716 Serial No 123 (Temporary Duty)

(m) The rules in sub para (d) to (l) above will also apply (with necessary modifications) to the preparation etc, of salary and travelling allowance bills of C E s and Deputy Chief Engineer, North-West Frontier Province and officers and establishments employed under them

They will be submitted to the C M A of the Command or District, as shown below —

Chief Engineer	Controller of Military Accounts	Unit Accountants
Northern Command	Northern Command and Rawalpindi Kohat and Waziristan Districts	Rawalpindi District Rawalpindi
Deputy C E North West Frontier Province	Deputy C M A (Works) North West Frontier Province	Peshawar District Peshawar
Eastern Command	Eastern Command and Meerut and Lucknow Districts	Meerut District Meerut
Western Command	Western Command and Baluchistan District and Zhob and Sind Independent Brigade Areas	Baluchistan District Quetta
Southern Command	Southern Command Deccan Mhow and Bombay Districts and Poona Independent Brigade Area	Bombay District Bombay

The duplicate vouchers will be duly allocated and passed to the U A concerned for posting the appropriate expense ledgers

(n) Similarly the charges on account of salaries and travelling allowances of the E in C and his establishments, after having been properly compiled by the Military Accountant General (Pay Section) will be included in the accounts of the C R E Lahore District to whom the amounts will be intimated by the C M A, Lahore

36 Contingent Charges

(a) The following are some of the charges which will ordinarily be classed as Contingent Charges and debited to Main Head E—Establishment Detailed Head (h) Contingent Charges —

(i) Charges on account of telephones installed in M E S offices (see Regulations for the M E S)

(ii) Cost of stamps and local purchase of stationery including expendable drawing materials

(iii) Carriage of parcels etc and tonga hire for cashing cheques

(iv) Hot weather establishments

(v) Small payments for drinking water and for dusting offices

(m) The rules in sub paras (d) to (j) above will also apply (with necessary modifications) to the preparation, etc., of salary and travelling allowance bills of C. Es. and Deputy Chief Engineer, North West Frontier Province, and officers and establishments employed under them.

They will be submitted to the C. M. A. of the Command or District, as shown below —

Chief Engineer	Controller of Military Accounts	Unit Accountants
Northern Command	Northern Command and Rawalpindi, Kohat and Waziristan Districts	Rawalpindi District, Rawalpindi
Deputy C. E., North West Frontier Province	Deputy C. M. A. (Works), North West Frontier Province	Peshawar District, Peshawar
Eastern Command	Eastern Command and Meerut and Lucknow Districts	Meerut District, Meerut
Western Command	Western Command and Baluchistan District and Zhob and Sind Independent Brigade Areas	Baluchistan District, Quetta
Southern Command	Southern Command, Deccan, Mhow and Bombay Districts and Poona Independent Brigade Area	Bombay District, Bombay

The duplicate vouchers will be duly allocated and passed to the U. A. concerned for posting the appropriate expense ledgers.

(n) Similarly the charges on account of salaries and travelling allowances of the E.-in-C. and his establishments after having been properly compiled by the Military Accountant General (Pay Section), will be included in the accounts of the C. R. E., Lahore District, to whom the amounts will be intimated by the C. M. A., Lahore.

36. Contingent Charges

(a) The following are some of the charges which will ordinarily be classed as Contingent Charges and debited to Main Head E—Establishment, Detailed Head (h) Contingent Charges —

- (i) Charges on account of telephone installed in M. E. S. offices (see Regulations for the M. E. S.).
- (ii) Cost of stamps and local purchase of stationery including expendable drawing materials.
- (iii) Carriage of parcels, etc., and tonga hire for cashing cheques.
- (iv) Hot weather establishments.
- (v) Small payments for drinking water and for dusting offices.

(e) Similarly an imprest will be given to the E in C by the Military Accountant General (Pay Section) In this case the contingent charges will be included in the monthly abstract to be furnished by the Military Accountant General (Pay Section) to the C M A, Lahore District, who will intimate the figures to the C R L, Lahore [see para 35 (n)]

(f) The procedure described in para 37 for accounting for tools and plant need not be observed in respect of articles of office furniture, etc, in the offices of the E-in C, C Es and the Deputy C E, North-West Frontier Province, which articles are charged to contingencies Suitable registers showing the receipt, disposal, and balances, of the articles should, however, be maintained

If any articles of this class are transferred to a District office the fact of the transfer should forthwith be intimated to the U A concerned, even though no adjustment of cost is required to be made under rule

(g) Charges on account of printing done at the Government Presses and stationery obtained from the Stationery Office are not brought to account in the books of the M E S officers concerned, but they are collected for the whole of the M E S by the C M A, Eastern Command, Meerut and Lucknow Districts and adjusted against the lump sum provision placed at his disposal for the purpose under the head "50—M E S"

For purposes of financial control in submitting indents for stationery a monetary limit is invariably fixed for each District and Command, etc, office by the Financial Adviser, Military Finance This amount is intimated by the E-in C to the local M E S authorities at the beginning of the year

37 **Main Head F —Tools and Plant**

(a) In order to facilitate the execution of work the M E S are authorised to maintain a stock of Tools and Plant which term comprises the following articles —

(i) Scientific and drawing instruments

(ii) Small tools and portable plant

(iii) Camp equipage and furniture for inspection bungalows and offices [except for offices of E in C C Es and Deputy C E, North West Frontier Province in which cases the cost will be charged to Main Head E—Establishment Detailed Head (h) Contingent Charges (see para 36)]

(iv) Road Rollers

(v) Tractors, trailers, and motor vehicles

(c) (ii)—contd

Each S D O and the G I will maintain a similar ledger

Any changes in the distribution will be supported by temporary voucher copies of which must be sent to the Barrack Master in order that he may make the necessary corrections in his ledgers

The Barrack Master's ledgers must be compared periodically with the ledgers of S D O and the G I vouchers may be destroyed after the annual verification has taken place and both parties have signed the ledgers

(d) The Barrack Master will submit the following returns through the G E to the C R I —

(i) Monthly Tools and Plant Return (I A F W 2194 Serial No 32) which will be compiled from the Tools and Plant Register and sent to the G I on the 5th of the month

Details regarding the preparation, etc, of this return will be the same as for the Monthly Furniture Return [see para 32 (f) (i)]

(ii) Annual Tools and Plant Return (I A F W 2193 Serial No 31) which will be compiled from the Tools and Plant Register and submitted to the C R I on May 31st

(e) The District Tools and Plant Ledger (I A F W 2220 Serial No 39) will be compiled by the D S O from the Monthly Tools and Plant Returns of G Es and from the Tools and Plant Register maintained by himself for the tools and plant in the C R E's office

(f) All the ledgers and returns referred to in sub paras (c) (d), and (e) above will be maintained by sections as laid down in clauses (i) to (v) of sub para (a) above

(g) From the Annual Tools and Plant Returns of G Es and from a similar return prepared for the tools and plant in the C R E's office the D S O will prepare the Tools and Plant Schedule of Demands in accordance with the instructions laid down in the Regulations for the M E S

(h) When tools and plant are transferred from one M E S District to another or between accounting officers within the same District, the transfer will be without value except as laid down in sub para (l) below

(i) The D S O will maintain a Tools and Plant Rate List (I A F W 2166 Serial No 26) recording the correct nomenclature and value of each article of tools and plant in the District and will be responsible that these are communicated to and used by all Barrack Masters

(l)—contd

estimate for the work from which the tools and plant are transferred and debit to the estimate for the work to which they are issued

It is not permissible to write back the cost of special tools and plant in anticipation of the possibility of the articles being utilized on another work at some distant date

No articles will be removed from the numerical accounts on the plea that the accounts of the work to which the cost thereof was charged have been closed until they are actually transferred, sold, or written off the books, on account of having become unserviceable.

38. **Main Head G —Suspense General Rules**

(a) Transactions will be entered under the transitional Head "Suspense" when:—

(i) An expenditure has actually been incurred which cannot immediately be allocated to another definite Budget Head to M E S Deposits or to some other Department

(ii) An expenditure has been booked against a definite Budget Head although no actual payment has been made

Such transactions must be cleared off as soon as possible either, in case (i), by a debit to the Budget Head or Department concerned and a corresponding credit to Suspense, or, in case (ii) by the payment being made and a corresponding debit entered against Suspense

(b) Charges which are debitable to final heads but the allocation of which cannot be accurately determined at once will be debited immediately to the head, etc , to which they appear to be appropriately debitable and not to the Head Suspense [see para 46 (b)]

If they cannot be debited to a current estimate a separate estimate to which the charges should be debited will be sanctioned at once by the C R L , this estimate must be financed

On receipt of information regarding the proper allocation of the charges, they will be adjusted by debit to the correct head and credit to the head to which they have been temporarily allocated

Such expenditure will be placed under objection until the temporary allocation has been regularised

(c) So far as the M E S are concerned the following sub heads are operated under Main Head G—Suspense (see Appendix I) —

Sub head 1—Stock

" 2—Stores Purchases in India

(f) (i)—contd

works, etc, include percentage charges (over and above the actual cost of labour and materials) against which no debits are entered in the Overhead Charges Expense Ledger [see para 45 (l) (iii)]

(ii) G 6—M E S Advances —Balance is always *plus*

(g) The closing balance of Main Head G—Suspense at the end of a year is carried forward into the next year and is known as the *Ruling Balance* " of that year

This Ruling Balance is invariably a *plus* balance and is made up of the Ruling Balances of Sub heads G 1 5, and 6 [see sub para (h) below]

If the closing balance at the end of a year is less than the Ruling Balance then funds to the amount of the difference are set free,

"

to restore the Ruling Balance in the following year

If the closing balance in any year is greater than the Ruling Balance then an allotment of funds to the amount of the difference must be made to the Sub head or Sub heads concerned

A difference between the closing balance and the Ruling Balance of any individual Sub head of Main Head G —Suspense may be ignored if it does not exceed Rs 500

(h) A C R E is responsible for carefully watching and regulating the Ruling Balance of Suspense as under —

(i) Sub head G 1—Stock —The balance of this sub head [illegible] the principal item of the Suspense Ruling Balance All transactions are under the direct control of the C R E and must be carefully regulated in accordance with the rules laid down in para 39 and sub para (g) above

(ii) Sub heads G 2 and 3—Stores Purchases —Both of these sub-heads close with a ' *nil* balance [see para 42 (g)] and do not therefore affect the Ruling Balance of Suspense

(iii) Sub heads G 4—Manufactures and G 5—Workshops

Both of these sub heads close with a ' *nil* ' balance [see paras 44 (f) 45 (k) (i) and 45 (l) (ii)] except as regards the balance of the M A S Account of a Workshop care must be taken to regulate the opening and closing balances of this M A S Account as laid down in sub para (g) above

C

ABBREVIATIONS

A C R E	Assistant Commanding Royal Engineer.
B & R	Buildings and Roads
C E	Chief Engineer
C M A	Controller of Military Accounts
C R E	Commanding Royal Engineer
D S O	District Stores Officer
E & M	Electrical and Mechanical
E in C	Engineer in Chief
G E	Garrison Engineer
M A D	Military Accounts Department
M A S	Materials at-Site
M E S	Military Engineer Services
Para	Paragraph
P W D	Public Works Department
S D O	Sub Divisional Officer
U A	Unit Accountant

(*d*) An initial capital expenditure is needed to form stock in the first instance but once formed unless it is required to increase stock no further provision of funds is necessary, as outlay on replacement of issues will be financed from credits received for stock issued to works, etc

Stock represents capital locked up and any decrease in stock due to non replacement of issues sets free funds

(*e*) The aggregate value of stock at the beginning of the year is the 'Ruling Balance' of stock for the year which is subject to the rules laid down in para 38 (*g*)

During the year in order to permit of the purchase of stock before funds have been credited on account of issues which it is anticipated will be made during the year expenditure in excess of the Ruling Balance may be incurred The maximum amount up to which the value of the stock may be raised during the year is known as the "Stock Limit

The Stock Limit is fixed by the Government of India for the M I S as a whole and by the E in C and C Es for the various Commands and Districts respectively

(*f*) Losses in regard to articles borne on Stock when debited to the Main Head A—Works—Sub head 9—Losses will always be financed from Main Head G—Suspense—Sub head 1—Stock [see para 49 (*i*)] This adjustment will have the effect of reducing the "Ruling Balance"

If any recovery on account of loss is subsequently made it will be treated as reduction of expenditure unless the recovery is made from a private individual or from a local Government in which cases it will be treated as a Revenue receipt under Appendix V Rules 3 and 4 (*d*) Such recoveries which are treated as reduction of expenditure will be credited to Losses and the amount re appropriated to Stock ' thus raising the Ruling Balance

(*g*) Stock will be charged with the actual price paid for stores the cost of freight and any incidental charges for handling, etc

An Issue Rate for each article will be fixed every six months, in April and October by the C R E (A C R E Northern Command Poul in the case of mobilization stores under his charge) so as to cover the above charge and also normal losses chargeable to stock, *e g* losses in transit of coal

Any particular issue rate found to be seriously incorrect may be altered by the C R E at any time

The issue rate of any article should not appreciably differ from the *local market rate at any time It the actual* cost of the article is appreciably greater than the issue rate as fixed by the local market rate then there will be a reduction in the stock balance on this account which must be treated as a loss [see para 49 (*a*)] If the actual cost of an article is appreciably lower than the market rate, issues to contractors and sales will be made at market rate [but

(k)—contd

The D S O will be responsible for the periodical check of all stock as laid down in para 48

40 **Sub head G 1—Stock Storekeeper s Duties**

(a) A storekeeper will have nothing to do with the preparation of bills, transfer vouchers etc His duties will be confined to —

(i) the custody preservation, and issue, of the stores under his charge,

(ii) forwarding to the D S O on such dates as may be ordered [see sub para (c) (ii) below] the receipted indents for stores issued,

(iii) maintaining the numerical accounts and submitting the Monthly Stock Return [see sub para (b) and (e) below]

(iv) submitting indents to the D S O for replenishing his stores [see para 42 (d)]

(b) Every storekeeper will maintain in the store —

(i) Stock Register (I A F W 2279 Serial No 89)

(ii) Tally Cards (I A F W 2280 Serial No 90) These may be kept on the bins etc or in files or boxes as is most convenient

(iii) Duplicate copies of receipt vouchers and of indents

Receipts and issues must be entered at once as they occur in the Stock Register and on the Tally Cards

Receipts will be entered from the duplicate copies of the transfer vouchers prepared by the D S O [see para 42 (k)]

Issues will be entered from the indents of accounting officers [see sub para (c) below] and from the expense vouchers and loss statements (see para 49) for any article sold damaged or deficient

(c) Stores will be issued by the storekeeper as detailed below —

(i) The S D O etc will prepare an Indent (I A F W 2274 Serial No 86) in triplicate which will be signed by the accounting officer concerned and the original and duplicate copies presented to the storekeeper Stores debitable to different Expense Ledgers must be entered on separate indents

(ii) The storekeeper will issue to the S D O such store as he has available and will strike out of both copies of the indent (in ink or indelible pencil) any stores which he cannot suppl

(a) "Summary of Receipts" (I A F W-2163, Serial No 25) This will be entered up monthly from the original copies of receipt vouchers [see para 42 (k)]

A separate Summary will be maintained for each storekeeper's charge

(b) "Summary of Issues" (I A F W 2163, Serial No 25) This will be entered up monthly from the original copies of receipted indents received from storekeepers [see para 40 (c) (iv)] and from transfer or expense vouchers relating to stores sold, damaged or deficient [see paras 42 (l), 49, and 59]

A separate Summary will be maintained for each storekeeper's charge

(c) "Priced Stock Ledger" (I A F W 2157 Serial No 23)
Receipts and issues will be entered up [illegible]
after the closing date [see para [illegible]
of Receipts and Issues Entries shoul[illegible]
given in the Monthly Stock Returns [see para 40 (e)]

A separate ledger will be maintained for each storekeeper's charge

The Priced Stock Ledger is closed half yearly as soon as possible after the closing dates of September and March when the closing balances will be struck valued at issue rates and totalled

The total value of the whole of the Stock of the District at issue rates (as obtained from the Priced Stock Ledgers) will be compared with the balance of the Stock Expense Ledger [see sub para (d) below] immediately after this half yearly valuation The C R E s U A will immediately bring to the notice of the D S O any appreciable difference between the value of the Stock as shown by the Priced Stock Ledgers and by the Stock Expense Ledger respectively, with a view to the discrepancy being investigated and issue rates altered, etc as may be necessary

(d) "Stock Expense Ledger" (I A F W 2242 Serial No 59) A single Expense Ledger will be maintained for the whole District on the ordinary Expense Ledger Form

The "Expenditure" column will be entered up from —

(i) The original copies of transfer vouchers for stores received for Stock [see para 42 (k)]

(ii) Cash or other adjustment vouchers for payment by the D S O of incidental and local charges which are not included in the above transfer vouchers [see also para 42 (o)]

(iii) Transfer vouchers in respect of incidental charges paid by accounting officers [see para 42 (o)]

(iv) Expense vouchers on account of losses chargeable to Stock [see para 42 (l)]

(e) (iii) Endorse the transfer voucher in red ink —

"Checked with office copies of indents
Discrepancies—*nil*—notified to————
————(Dated initials of S D O, etc)"

(iv) Allocate (see Appendix III) both copies of the transfer voucher and pass them to the accounting officer The latter will sign the allocations in the usual manner and pass the vouchers to his U A (or Accounts Clerk) for entry in the Expense Ledgers, etc and disposal (see para 25)

The corresponding credits will be compiled against "M E S Transfers within the District" against which the C R E 's U A will compile the debit corresponding to the credit shown in the Stock Expense Ledger

A S D O etc is responsible for bringing promptly to the notice of the accounting officer any indents (or items therein) which are incorrectly entered in the transfer voucher or which are not included in the transfer voucher although they were handed to the store-keeper prior to the closing date of the store The accounting officer will take the matter up with the D S O with a view to an immediate adjustment being made

42 Sub head G 2 Stores Purchases in India

(a) The object of the Store Purchases in India Account is to enable the full expenditure to be recorded against Stock or the Work concerned as soon as the stores have been received

On receipt of the stores the Stock Expense Ledger or the Expense Ledger of the work is debited with the value of the stores as estimated in the Stores Order [see sub paras (j) and (k) below] and a corresponding credit is taken in the Stores Purchases Expense Ledger [see sub para (l) below When only an instalment of the full quantity of stores ordered is received a proportionate amount of the value of the stores as estimated in the Stores Order will be debited and credited as described above

When the bill for the stores is eventually received payment is made from the Stores Purchases Account and Stock or the Work are only affected if the payment made is more or less than the amount estimated in the Stores Order [see sub para (p) below]

(b) The Stores Purchases in India Account consists of —

(i) "Stores Purchases India, Expense Ledger" (I A F W 2242 Serial No 59) which is maintained as laid down in para 19

(ii) "Stores Purchases Register India" (I A F W 2277 Serial No 88) which is similar to a Job Ledger and which is maintained as laid down in Appendix IV separate registers

(*f*)—contd

value through the Stores Purchases Account against a corresponding debit made by the accounting officer against the work

NOTE—In order to complete the accounts of both the C R E and the accounting officer concerned all such transactions which affect the accounts of both parties will temporarily be passed through the Head M F S Transfers within the District

(*g*) Charges relating to transactions under sub paras (c) (ii) and (vii) will as soon as the stores are received, be finally debited to stock or the work by means of transfer vouchers affording a corresponding credit to the other party to the transaction Such transactions will not be passed through the Stores Purchases Account

(*h*) Transactions under sub paras (c) (i) and (ii) above will be passed through the Stores Purchases Account except when credits can be afforded direct

In all cases where stores have been obtained from other Departments whose accounts are kept by the M A D a final debit will be taken, as described in sub para (g) above as soon as the stores have been received

(*i*) When stores are ordered for a work by the D S O from sources outside the District he will prepare and pass to the C R E 's U A two copies of a Stores Order (I A F W 2276 Serial No 87) on which the accounting officer's indent number and the Expense Ledger number to which the stores are debitable will be entered

The C R E 's U A will enter up the Stores Order in columns 1, 2, 3, 4 (Expense Ledger No only), 6, 7 8, 9, and 10 of the Stores Purchases Register (I A F W 2277, Serial No 88) and will send one copy of the Stores Order to the accounting officer concerned

The accounting officer will allocate (see Appendix III) the Stores Order as a liability against the work concerned and will pass it to his U A (or Accounts Clerk) who will make the necessary liability entry in the Expense Ledger (see para 19)

In the case of stores ordered for stock the D S O will pass a single allocated copy of the Stores Order to the C R E 's U A who will enter it in the Stores Purchases Register and as a liability in the Stock Expense Ledger, as described above

(*j*) When the stores (or any portion thereof) included in a Stores Order for a Work are actually received the accounting officer concerned will check the stores and will prepare the necessary transfer vouchers [see para 25 (*l*)] The accounting officer will price these vouchers in accordance with the Stores Order and allocate them (including allocation to the correct Stores Order) and pass them to his A (or Accounts Clerk) for entry in the Expense Ledger and cancellation of the previous liability entry [see sub para (*i*) above] U A (or Accounts Clerk) will then send the original and [illegible]cate copies to the D S O who will allocate them and pass [illegible]o the C R E 's U A

[illegible] E 's U A will make the necessary entry in the Stores [illegible]ndi —Expense Ledger file the duplicate copy of the

(*j*)—contd

para 39 (*j*)] The G E or Accounting S D O will certify on both copies of the voucher that the stores have been checked and found correct and he will obtain the storekeeper's certificate [see (*iii*) above] He will then send both copies of the voucher to the D S O who will enter the allocations and dispose of the voucher as described above

Note —The above procedure will also apply to the preparation etc of the transfer (receipt) vouchers for stores received under sub para (*e*) (*i*), (*ii*), and (*iii*), above except those transferred between M E S Stores within the District [see para 41 (*d*)]

(*l*) When any stores, received either for stock or for a work are found to be deficient or damaged the following action will be taken —

(*i*) If the consignor's vouchers have been received the full quantities recorded thereon will be entered on the transfer (receipt) voucher [see sub paras (*j*) and (*k*) above]

(*ii*) Any stores damaged or deficient will be entered by the D S O or accounting officer on a transfer (expense) voucher and a loss statement (see para 49)

The items entered on this expense voucher will be treated as issues

In the case of Stock expense vouchers will be endorsed by the storekeeper and a copy passed to him in the same way as laid down for the receipt voucher [see sub-para (*k*) above]

(*iii*) If the consignor's vouchers have not been received the quantities actually received will be entered on the transfer (receipt) voucher and any articles which are received damaged will be entered on a transfer (expense) voucher and a loss statement as in (*ii*) above

When the consignor's voucher is received any deficiencies which then come to light will be dealt with as in (*ii*) above

Note —All losses in quantity or sales by auction or to private individuals are treated as issues and will be dealt with as in (*ii*) above

In the case of sales by auctions or to private individuals the transfer (expense) voucher will be accompanied by the treasury receipts (if any) and the Sale Account (I A F W 2281 Serial No 31) (see para 59)

(*m*) On all transfer vouchers relating to stores received for stock or for a work will be entered —

(*i*) The voucher number and date of receipt

(*ii*) The Store Order number and date for stores ordered from sources outside the District

(*iii*) The index number and the correct M E S nomenclature of each article

(*p*)—contd.

If the credit and debit entries are not equal the D S O will at once prepare the necessary transfer vouchers for the difference which will be adjusted as under —

(*i*) In the case of stores purchased for Stock the difference will be credited or debited to the Stores Purchases Expense Ledger by a corresponding debit or credit to the Stock Expense Ledger. If necessary Stock Issue Rates [see para 39 (*g*)] will be amended accordingly

(*ii*) In the case of stores purchased for a Work the difference will be credited or debited to the Stores Purchases Expense Ledger by a corresponding debit or credit to the Expense Ledger of the work Such transactions which affect both the accounts of the C R E and of the accounting officer will be passed temporarily through the Head " M E S Transfers within the District " In cases where in the opinion of the C R E the amount is trivial or it is not desirable to re-open the accounts of a work which has been closed, the adjustment may be made against Stock as in (*i*) above, this should not be done if the amount involved is such that it will appreciably affect either the capital cost of the work or the issue rates of Stock

NOTE —As an exception to the above rule adjustments necessitated by the annual " correction invoices forwarded by Director General, India Store Department, in respect of English stores obtained from Departments of His Majesty's Government will be carried out by a corresponding debit or *minus* debit against 'D General Charges—7 Miscellaneous

(*q*) On March 31st the Stores Purchases Account will be closed Any balance in the Stores Purchases Expense Ledger will be transferred by credit to M E S Deposits

Details of the balance thus transferred to M E S Deposits will be taken from the Stores Purchases Registers (I A F. W-2277, Serial No 88) and posted in the Register of Suspense Account (I A F C M A -258 Serial No 118) a remark to this effect will be made in the Stores Purchases Registers

The credit under the head M E S Deposits will be utilised to meet the debit for the cost of stores when such debit is received

Any difference *plus* or *minus* will be dealt with as laid down in sub-para. (*p*) above

It must be clearly understood that the value of stores may only be credited to the Stores Purchases Account of the year [see sub-para. (*a*) above] in cases where the stores have actually been received by the M E S officer concerned on or before March 31st

The Stores Purchases Account of the new year will always open with a *nil* balance

43 { **Sub-head G. 3.—Stores Purchases in England.**
Main Head H—Deduct English Cost of Stores
Main Head I—Expenditure in England.
Main Head J—Exchange on Home Expenditure.

(*d*)—contd

Serial No 88), on account of the English Cost of Stores [see sub-para (*c*) above] These transactions are recorded on a separate sheet in the Schedule of Credits to Miscellaneous Heads of Account (I A F W-2293 Serial No 98) from which the total is carried into the Classified Abstract of Receipts and Expenditure at the end of each month

The object served by this account is that after the expenditure on English Stores has been booked as Indian expenditure in the accounts of Stock or Works concerned under the ordinary rules, the total grant for expenditure in India is relieved of this expenditure

This object is attained by recording the same amount as was credited to the above head against the Main Head I—Expenditure in England [see sub-para (*e*) below]

(*e*) "Main Head I—Expenditure in England" is a budget head under which provision is made for English expenditure [see para 9 (*a*)] The total expenditure credited to the Main Head H—Deduct English Cost of Stores [see para 9 (*c*)] is shown against this head for purposes of compilation and exercising audit check against the Grant

NOTE —The accounts of this Main Head are kept on an all India basis by the Military Accountant General

(*f*) Main Head J—Exchange on Home Expenditure is intended to collect in one place the credits and debits on account of gain or loss by exchange on Stores Purchases in England [see sub para (*c*) above] and on establishment charges paid in England The transactions are recorded on separate sheets in the Schedule of Credits/Debits to Miscellaneous Heads of Account (I A F W-2293 Serial No 98), from which the total amounts are carried into the Classified Abstract of Receipts and Expenditure at the end of each month

NOTE —Adjustment on an all India basis on account of gain or loss by exchange, both on account of expenditure on Home Stores and establishment charges incurred in England is carried out by the Military Accountant General

44 Sub head G 4 —Manufactures

(*a*) For every "Manufacture" a detailed estimate or a requisition will be sanctioned by competent engineer authority as laid down in para 5 (*b*)

Work Orders (I A F W 2228 Serial No 46) will be furnished to all concerned by the accounting officer in charge of the manufacture

(*b*) In the case of manufactures involving an outlay of more than Rs 10,000 the estimate must show in detail —

(*i*) the outlay proposed

45 **Sub-head G 5.—Workshops.**

(a) *General Control of Workshops*

The C R E will depute an officer with E & M qualifications (A C R E, G E etc) to supervise and control every M E S Workshop (see Regulations for the M E S) except those referred to in sub-para (b) below This officer is referred to as the Workshop Officer

A Workshop Superintendent will be appointed in immediate charge of the workshop who may work under an E & M S D O or directly under the Workshop Officer and, in the case of large workshops may be of the grade of S D O

Where the term Superintendent is used in this paragraph it will include a whole time Workshop S D O as well as a Workshop Superintendent

The accounts [see sub-para (j) below] of a workshop must be kept by the M A D in the Workshop Office For compilation, etc purposes these accounts and the cash book supported by original vouchers may be taken as required to the office of the C R E or G E in whose accounts they will be finally compiled but duplicate accounts must not be maintained

A Superintendent will normally have the powers of an accounting S D O [see para 17 (b)] but these powers may be restricted by the C R E if he considers it desirable

No estimate for operating a workshop is necessary

(b) *Small Workshops*

Sub divisional or installation workshops need not be accounted for under this Budget sub head Any expenditure in connection with such workshops will be booked directly to the work concerned or treated as a Manufacture (see para 44)

(c) *Work for other Departments etc*

The general procedure in regard to work executed by a workshop for M E S or for other Units Departments etc will be as follows —

(i) The officer private individual etc requiring work to be done (demanding officer) will send a demand direct to the Superintendent or through the Workshop Officer according to the administrative orders in force in the District

NOTE —The restriction laid down in Regulation for the M E S as regards obtaining the consent of the General Officer Commanding District etc in the case of deposit work does not apply to work done in workshops

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NOTE —The restriction laid down in Regulation for the M E S as regards obtaining the consent of the General Officer Commanding District etc in the case of deposit works does not apply to work done in workshops

5 Contingencies (Works)

Where used in respect of the accounts of works the term indicates the incidental expenses of a miscellaneous character which cannot appropriately be classified under any distinct sub head or sub work but pertain to the work as a whole

6 Contract

This term means any kind of undertaking, written or verbal, express or implied by a person not being a Government servant, or by a firm for the construction, maintenance, or repair of one or more works or for the supply of materials or for the performance of any service in connection with the execution of works or the supply of materials

7 Contractor

This term means a person or firm, etc , making a contract Its use is often restricted to contractors for the execution of works or services connected therewith

8 Departmental Charges

This term is ordinarily applicable to the charges which are levied in addition to the cost of work done and stores or materials supplied against departments individuals etc , for whom any services are rendered

These charges are intended to cover such items as cost of the supervising establishment (including storage and incidental charges) tools and plant, and audit

9 Deposit Works

This term is applied to works of construction or repairs the cost of which is met from funds received from non Government sources

10 Expenditure

This term includes charges classified as refunds of revenue receipts it also includes expenditure on stores, leave salary, etc , incurred in England and charged against the English Grant

11 Final Payment

This means the last payment on a running account made to a contractor on the completion or determination of his contract and in full settlement of his accounts

12 Grant—Allotment—Appropriation

The definitions of these terms as given below, are intended solely for the purpose of the control of M T S expenditure, they are not to be taken as being of general application nor may they be quoted in contradiction of similar definitions in other official publications

The term " Grant " signifies bulk amounts as passed in Budget order or in orders of competent authority subsequently issued

(c) (i)—contd

A Work Order will not be entered as a liability or an expected credit' in the Workshop Expense Ledgers

The Superintendent will file the allocated Work Order in place of his office copy Separate files of outside work orders will be kept for "M E S", 'Other Government Departments' and 'Private Individuals'

Outside Work Orders will be numbered in a separate series each year Letters will be affixed to the numbers as below —

O M —Outside Work Orders for 'M E S

O G Outside Work Orders for "Other Government Departments"

O P —Outside Work Orders for Private Individuals"

(ii) The Superintendent will then prepare a Job Sheet [see sub para (i) below] for the job on which work may now be commenced

(iii) When the job is completed the Superintendent will prepare three copies of a Transfer Voucher [see para 25 (h)] and will allocate (see Appendix III) each copy both to the Expense Ledgers and to the Jobs (Work Orders) He will also complete his Register of Work Orders [see sub para (h) below]

The actual value of materials and labour will be allocated as a credit to the Direct Charges Expense Ledger [see sub-para (l) (iii) below] and percentage charges on labour [see sub para (l) (iii) below] as a credit to the Overhead Charges Expense Ledger

The Transfer Vouchers will be passed to the Accounts Clerk for entry in the Expense Ledgers and for despatch of the original and duplicate copies to the demanding officer in accordance with the procedure laid down in para 25 (h)

NOTE—A separate voucher is prepared by the Superintendent to accompany the article [see (x) below]

(iii) In urgent cases the prior preparation and acceptance of an estimate may be dispensed with and the following procedure adopted —

The officer when sending in his demand will state that the work is urgent and will authorise the Superintendent to put the work in hand and to incur expenditure up to a stated amount prior to his acceptance of the estimate On this demand will be recorded the Budget Head etc to which the cost will be debited

The Superintendent will at once prepare and obtain sanction to an estimate for the work open a job sheet, and put the work in hand After this has been done the Work Order

(d) *Maintenance and Operation of a Workshop*

(i) All expenditure connected with the maintenance and operation of the Workshop (which will include all expenditure which is not debitable to Outside Work Orders) will be carried out against Shop Work Orders (with Job Sheets) and will be recorded in a separate Register of Work Orders [see sub-para (h) below] and the Overhead Charges Expense Ledger [see sub para (l) below]

(ii) "Standing Annual Shop Work Orders" (with Job Sheets) will be prepared at the beginning of each year, as under —

Shop Work Order No 1/S—Superintending Staff [see sub-para (e) below]—Against this work order will be charged all wages paid which are debitable against the Workshop Account but which cannot be charged against any other specific work order

Shop Work Order No 2/S Running of Power Plant —This work order is only required where a workshop runs its own self contained power plant The whole of the maintenance and operation expenditure in respect of such power plant will be debited against this work order

Shop Work Order No 3/S—Small Tool [see para 37 (l) (ii)]

Shop Work Order No 4/S Maintenance of Buildings Against this work order will be charged all expenditure on the maintenance of the Workshop buildings executed by an outside agency (*e g* by a S D O B and R)

Shop Work Order No 5/S—Audit Charges —Against this work order will be debited monthly the proportion of "On costs" credited to Head 48—Army on account of audit charges [see sub para (*m*) (*ii*) below]

Shop Work Order No 6/S—Other Miscellaneous Charges —Against this work order will be charged any miscellaneous expenditure other than that included in Shop Work Orders Nos 1/S 2/S 3/S and 4/S above and other than expenditure on Workshop materials and labour none of which may be debited against this Work Order

Other standing annual work orders may be prepared under the orders of the Workshop Officer for the purpose of obtaining a separate record of some particular expenditure

(iii) All other labour and materials relating to the maintenance of machinery, etc will be charged against ordinary Shop Work Orders (with Job Sheets) which will be prepared by the Superintendent as required Such Shop Work Orders will be numbered consecutively 11/S, 12/S, etc

(iv) Shop Work Orders will be numbered in a separate series each year The letter "/S" will be affixed to the number [see

(f) (ii)—contd

be entered up by the storekeeper after the stores have been issued

(iii) An individual to perform the duties of storekeeper will be appointed in charge of a Workshop M A S Store

(iv) The M A S storekeeper will maintain the following Registers, etc —

The Materials at Site Register [see para 50 (c)]

The Summary of Materials at Site [see para 50 (o)] which will be entered up from the M A S Register at the end of each month and passed to the Workshop Accounts Clerk for check and comparison with the Expense Ledger

The Daily Materials Sheet (I A F W-2235 Serial No 52) which will be entered up daily from the Indents and passed, with all *Indents attached to the Superintendent* Before despatch the storekeeper will initial the following endorsement on each Indent —

" Entered in M A S Register and Daily Materials Sheet "

(v) The storekeeper will report at once to the Superintendent all stores demanded which he has been unable to supply, so that the Superintendent can make the necessary arrangements for their provision

(g) *Registers etc maintained by a Superintendent*

(i) Cash Book when holding an imprest (see para 15)

(ii) Registers of Work Orders [see sub-para (h) below]

(iii) Job Sheets [see sub para (i) below]

(iv) Muster Roll
Casual Personnel Bill
Daily Labour Sheet } [See sub para (e) above]

(v) Summary of Daily Labour and Materials (I A F W-2237, Serial No 54)

This summary will be entered up daily from the Daily Labour Sheet [see para (e) (v) above] and the Daily Materials Sheet [see para (f) (iv) above]

At the end of each month the summary will be passed to the Accounts Clerk who will check the equivalent amounts as entered in the Expense Ledgers and Job Ledgers [see sub-paras (j), (l), and (l) below]

(vi) Plant Record Book (I A F W-2208 Serial No 33)
Plant Running Record
Daily Log Sheet } Only required when the prime mover is a part of the workshop

(j) (i)—contd

At the end of the month this Ledger will be compared with the "Summary of M A S" [see sub-para (f) (iv) above], and any discrepancies other than those of a trivial nature, will be immediately brought to the notice of the Superintendent

(ii) Direct Charges Expense Ledger [see sub para (l) below]

(iii) Overhead Charges Expense Ledger [see sub para (l) below]

(iv) Monthly Workshop Return [see sub para (m) below]

(v) Transfer Entry Book (see para 25)

(l) *The Direct Charges Expense Ledger*

(i) This will be maintained on the Expense Ledger Form (I A F W-2242, Serial No 59) as laid down in para 19

(ii) It will be debited monthly with the total expenditure on labour and materials (on all outside work orders) as allocated in the Muster Rolls Casual Personnel Bills etc [see sub para (e) above] and in the monthly transfer vouchers for materials used [see sub para (j) (i) above] these amounts should agree with the amounts entered in the "Summary of Daily Labour and Materials" [see sub para (g) (i) above]

(iii) It will be credited with the actual cost of labour and materials entered in the transfer vouchers sent to demanding officers, at the time of despatch of these vouchers [see sub-para (c) (iii) above]

(iv) Any incidental expenditure e g freight, etc not chargeable as labour or materials to the work order direct or not considered chargeable to overhead charges will not be passed through the Workshop Accounts but will be separately charged off to the demanding officer concerned

(v) The expenditure incurred on unfinished jobs inclusive of overhead charges [see sub para (l) below] must be adjusted in the accounts of the year The Credits and Debits entered in the Direct Charges Expense Ledger should therefore exactly balance at the end of the year If expenditure on labour and materials on unfinished outside work orders has been wrongly incurred in excess of the amounts notified by the demanding officers concerned as available for expenditure during the current year [see sub para (c) (ii) above] then the Direct Charges Expense Ledger will show a debit balance Details regarding such a debit balance will be promptly reported to the C R T who will order the amount to be credited to the Direct Charges Expense Ledger by an equivalent debit (or debits) either to the works concerned or to Sub head G 6

(l) (iii)—contd

than for military departments. Such special percentage will be fixed by the C. R. E. and will be separately credited in the Overhead Charges Expense Ledger as described above for the normal percentage.

The Overhead Charges Expense Ledger will also be credited with any receipts from the disposal of waste products, etc.

NOTE.—No separate percentages on account of departmental charges (see para. [illegible]) will be levied, as all expenditure on storage, etc., is included in the Workshop Accounts and covered by the percentage levied as above to meet overhead charges.

(iv) The percentages credited in the Overhead Charges Expense Ledger are fixed so as to cover *pro formá* debits [see sub-para (m) below] as well as the actual debits entered in this expense ledger: the balance of the Overhead Charges Expense Ledger at the end of the year should therefore be a credit balance.

Before the accounts for the year are finally closed the Overhead Charges Expense Ledger will be debited with an amount equal to its credit balance by means of a corresponding credit to Major Head XXVIII—Revenue—4. Miscellaneous.

The Overhead Charges Expense Ledger will therefore close with a *nil* balance in the same way as the Direct Charges Expense Ledger.

(v) Separate Job Ledgers on I. A. [illegible] W-2249 Serial No. [illegible] will be maintained as under:—

Credits Job Ledger (entered in Red Ink)

Debits Job Ledger (entered in Black Ink)

Summary Job Ledger

In the Credits Job Ledger the first Job will be numbered (in column 1) "Misc." and the entries in the month column against this job will be all miscellaneous receipts for disposal of waste products, etc., [see (iii) above], the remaining jobs will be the outside work orders the numbers of which will be entered in column 1 at the same time that they are entered in the Register of Work Orders [see sub-para. (h) above]. The entries in the month columns for all Jobs will be extracted from the Remarks Column of the Overhead Charges Expense Ledger [see para. 20 (a)] at the end of each month.

In the Debits Job Ledger column 1 will be entered up with the numbers of all Shop Work Orders [see sub-para. (d) above]. The entries in the month columns will be copied direct from the Job Sheets (in connection with Shop Work Orders) at the end of each month and the total for the month must (after deducting any Standing Annual Work Orders which do not include Workshop labour or materials) be equal to the amounts shown in the Summary of Daily Labour and Materials for Shop Work Orders [see sub para. (g) (i) above].

(m) (iii)—contd

sary for M E S Peace requirements In such cases the capital values of the machinery, etc, maintained in excess of peace requirements will be reported to the E-in-C who will fix a lump sum to cover interest depreciation, and maintenance, on such machinery, etc

This lump sum will be entered as a credit in the *Pro Formá* Summary

Any changes in the total capital value of the machinery, etc, in excess of peace requirements will be reported to the E-in-C for necessary revision of the above lump sum credit

(iv) "On Costs" (see Regulations for the M E S) is a percentage charge the amount of which is fixed annually by the E-in-C in consultation with the Military Accountant General It is levied on the total expenditure on labour and materials booked in the workshop accounts against both outside and shop work orders, the value of this labour and materials should be the same as the amounts entered in the Summary of Daily Labour and Materials

In the "On costs" percentage is included 1½ per cent on account of audit charges which will be debited monthly in the Overhead Charges Expense Ledger by means of a corresponding credit to Head 48—Army [see sub para (d) (ii) above] The balance of the On costs will be entered monthly as a debit in the *Pro Forma* Summary

(v) Charges for electric energy and water consumed by a workshop are usually debited to the appropriate sub head under Main Head C and only appear in the workshop accounts as a debit in the *Pro Forma* Summary [see para 56 (m)]

In cases where a workshop is charged directly for electric energy or water (see Regulations for the M E S) the necessary credit will be afforded by a debit entered in the Overhead Charges Expense Ledger A Standing Annual Shop Work Order [see sub para (d) (ii) above] must be prepared in support of such entries in the Expense Ledger

(vi) Where residential etc buildings belonging to workshop are included in the Plant Record Book any rent recovered will be credited in the usual manner to Revenue and the transaction will only appear in the workshop accounts as a credit in the *Pro Forma* Summary

(n) *Annual Workshop Return (I A F W 2238 Serial No 59)*

The Workshop Officer will prepare and submit to the C R E the Annual Workshop Return which will be dealt with as laid down in Regulations for the M E S

This return does not concern accounts except that it has attached to it a copy of the Monthly Workshop Return for March

(a) (iv) Amounts due to contractors on closed accounts [see para 66 (f)]

(v) Closing Balance on March 31st of the Stores Purchases Account (India) [see para 42 (q)]

(vi) Closing Balance on March 31st of the Stores Purchases Account (England) [see para 43 (c)]

(vii) *Miscellaneous deposits [see para 6 (h)]*

(b) The record of all transactions under this head will be kept by the U A (or Accounts Clerk) concerned in the Register of Suspense Account (I A 1 C M A -258 Serial No 118) which will be totalled at the end of each month and the total debits and credits of the month will be brought out separately for ordinary deposits and for contribution deposits [see sub para (a) (i) above] and posted into the monthly account

The amount expended on each deposit work referred to in sub para (a) (i) above during each month is posted monthly as a lump sum from the Register of Expenditure maintained under para 53 (d)

(c) Cash deposits of subordinates and contractors [see sub-para (a) (ii) and (iii) above] may be converted in consultation with the C M A, at the cost of the depositor into one or more of the forms of interest bearing securities (see Government Securities Manual) provided—

(i) that the depositor has expressly desired this in writing and

(ii) that the acceptance of the new form of security is permissible under the rules as well as under the terms of the agreement or bond

Cash which has actually been received or recovered may be converted even though the full amount of the deposit which is being paid or deducted in instalments may not have been realized

(d) *When a sum due to a contractor [see sub para (a) (iv) above] is* ultimately paid to the contractor concerned his acknowledgment should set forth such particulars as would establish the fact that the payment is made in settlement of his account in connection with the work concerned

(e) In the accounts for March every year the following classes of lapsed deposits will be credited by the U A (or the Accounts Clerk) concerned to Major Head XXXVIII Revenue—4 Miscellaneous For this purpose the amount will be intimated to the C R E 's U A on a transfer voucher and passed through the head M F S —Transfers —

(i) Original deposits not exceeding one rupee remaining out standing for one whole account year

49. **Losses.**

(a) Losses may be divided into the following classes —

(i) Actual losses of cash, stores, furniture, tools and plant, etc, in charge of an individual or unit

(ii) Actual losses of stores, etc, in transit

(iii) Actual losses due to fire, etc, of stores, buildings, etc

(iv) Losses due to stores, furniture, tools and plant, etc, becoming unserviceable through fair wear and tear

(v) Losses due to stores, furniture tools and plant etc, becoming unserviceable for other reasons

(vi) Losses due to sale or issue of stores etc at less than book value

(vii) Losses due to writing down value of stock

(viii) Losses due to other causes

(b) In all cases of loss except where the articles are borne on ledgers without value or where no actual loss has occurred a voucher (on I A F W-2253 Serial No 69) will be made out at once and the ledgers registers etc adjusted on the authority of this voucher

(c) If the loss is due to fraud negligence or unusual occurrences, it will be dealt with under the prescribed rules contained in Financial Regulations for the Army in India In other cases it will be dealt with under the financial powers given in Regulations for the M E S

(d) In all cases the loss will be entered in a loss statement (I A F A 498 Serial No 115) amended as necessary which must be submitted without delay for the orders of Competent Authority In the case of worn out articles to be surveyed off the same form will be used for the survey report

(e) Losses which have not actually taken place will not be incurred until the probable loss has been accepted by Competent Authority For example the writing down of stock must be approved by Competent Authority before the issue rates are amended

(f) A copy of the loss statement as forwarded to the Competent Authority will, in all cases be sent to the U A (or Accounts Clerk) concerned who will place the transactions as shown in the voucher [see sub para (b) above] under objection until the orders of Competent Authority on the loss statement are received

(b)—contd.

be kept and to be financed by the Maintenance Sub-head (usually B. 1) which will use the majority of the stores

If it is found desirable to issue stores held on a M A S Account to any work or budget sub-head other than that for which they were purchased, the value of the stores will be credited to the M. A. S Account by a corresponding debit to the work or budget sub-head on which the stores are actually used [see sub-para (c) (i) below].

(c) The following ledgers, etc , will be maintained in connection with an authorised Materials at Site Account —

(i) An Expense Ledger (I A 1 W-2242, Serial No 59), which will be numbered as laid down in Appendix II When materials are transferred from a M A S Account to a work transfer vouchers will be prepared at the end of each month by the accounting officer and passed to the U A (or Accounts Clerk) concerned The latter with credit the amounts entered on the transfer vouchers to the Expense Ledger of the M A S Account and will debit the same amounts to the works to which the materials were issued [see sub para (b) above] All stores purchased on a M A S Account (including freight and incidental charges) are entered in the Expenditure Column (Col 5) of the M A S Expense Ledger and form a debit against the work No allotment is made to a M A S. Account, but the Expense Ledger thereof is attached to the Expense Ledger of the work (or Budget sub head) for which the stores are being collected THE EXPENSE LEDGER OF THE WORK OR BUDGET SUB-HEAD MUST ALWAYS (and particularly at the close of the financial year) HAVE FUNDS TO COVER THE BALANCE DEBIT OF THE M A S EXPENSE LEDGER [i e the value of the stores paid for but not yet used on the work see also sub-para (e) below]

The U A (or Accounts Clerk) concerned will be responsible for checking the balance of the M A S Expense Ledger with the Summary of Materials at Site [see (c) (iii) below] at the end of each month He will make and initial a note in the "Remarks" column of the Expense Ledger that this has been done and will at once draw the attention of the accounting officer to any serious discrepancy

(ii) Materials at Site Register (I A 1 W 2225 Serial No 43) This Register will be maintained by the S D O concerned and will be entered up daily from the indents [see (ii) below] as regards issues and from the transfer vouchers as regards receipts Charges on account of freight incidentals etc , will be added to the cost of the stores entered in this register and will be taken into account in working out the issue rates These issue rates will be fixed by the G E concerned , entered on each page of the Register

(*e*)—contd

work, etc, although the stores were actually paid for during the previous year

When making a comparison at any time between expenditure and allotment for the current year the actual expenditure against allotment will, therefore, be arrived at as below —

Deduct the "opening balance" (carried forward from the previous year) from the balance to date, of the M A S Account The figure thus obtained (which is plus or minus according to whether the opening balance is less or greater than the balance to date) when added to (if plus) or deducted from (if minus) the expenditure recorded to date in the expense ledger of the work gives the correct total expenditure to date against the allotment for the current year

(*f*) Road metal and other materials collected for use on roads will be accounted for on a M A S Account financed by either sub head B 2 or B 3, or by the Major Work concerned, unless their value is less than Rs 500 when a Stores in Hand Account [see para 51 (*a*)] may be used The whereabouts of road metal etc, on charge, will always be suitably recorded

(*g*) The D S O will be responsible for making periodical inspections of all M A S Accounts in order to ensure that these accounts are being properly kept and that the limits authorised by the C R E are not being exceeded

51 Stores in Hand

(*a*) A G E may authorise any S D O Barrack Master Sub overseer or Installation Superintendent to hold stores on a 'Stores in Hand Account'

This is a purely numerical account on which stores are held without value it is recorded in the Stores in Hand Ledger (I A F W 2223, Serial No 42)

The above authority is subject to the general rule that (except as otherwise specified below) any individual who is authorised to keep one or more Stores in Hand Accounts is limited to a maximum total value of Rs 500 for all stores held by him on such account or accounts

(*b*) All stores (other than those held on Stock or M A S Accounts) which have been drawn from Stock or M A S Account of another work, or purchased and which are unused at the end of a month, will be entered on the Stores in Hand Ledger

Should it be found, at the end of a month that the value l down in sub para (*a*) above has been exceeded then the u

20. Rate.

In estimates of cost, contracts, contractors' bills, and vouchers generally, rate means the payment or price allowed for each unit of work, supply, or other service Except in the case of lump sum contracts, every bill or other demand for payment should, as far as possible, set forth the unit rate at which payment is to be made.

21. Re-appropriation

This means the transfer of funds from one Budget Main Head, Sub head, or Detailed Head, to another

22 Running Account.

This is a term applied to the account with a contractor when payment for work or supplies is made to him at convenient intervals subject to final settlement of the account on the completion or determination of his contract

23 Technical Sanction.

This name is given to the order of Competent Engineer Authority sanctioning a properly detailed estimate of the cost of a work of construction or repair proposed to be carried out by the Military Engineer Services

24. Work.

The term " work ", when by itself, is used in a comprehensive sense and applies not only to works of construction or repair, but also to other individual objects of expenditure connected with the supply, repair, and carriage, of tools and plant, the supply or manufacture of other stores, or the *operations of a workshop*

53 **Deposit Works**

(a) The general rule for the exhibition, in accounts of transactions relating to contributions from Central Revenue to Local Funds and public bodies and *vice versa*, as contained in the Audit Code, is reproduced below —

Contributions made by the Central or the Provincial Governments to District Boards, Municipalities etc, or *vice versa*, will be charged as expenditure or shown as receipts (as the case may be) under the head of account most closely connected with the object for which the contributions are made Thus a grant for the construction of a church will be debited to "28—Ecclesiastical", a grant for the construction of a school to "31—Education", a grant for the construction of a drainage system to "33—Public health", and a grant for the construction of roads to "41—Civil Works" while a grant given for general purposes such as a grant to make good a deficit or as compensation for revenue resumed will be classified under 47—Miscellaneous

(i) If the financial assistance given by the Central or a Provincial Government to a local body does not take the form of a grant of cash but of expenditure in the P W D equivalent to the whole or a part of the cost of a work constructed by that department on behalf of the local body concerned the contribution thus made should be adjusted under the Public Works Major head concerned

(ii) A contribution paid by a local body with the express object of meeting the whole or a part of the cost of construction by the P W D of a specific work which is eventually to be the property of Government should be credited in the Public Works accounts to the Debt head "Public Works Deposits" which will bear the actual expenditure as incurred

(b) For every Deposit Work (see Regulations for the M E S) there must be a duly sanctioned detailed estimate or requisition, as the case may be in the same way as for a Government Work

Expense Ledgers and Job Ledgers will also be maintained

(c) Deposit contributions will be paid either into the treasury or to the C R F or G F [see para 16 (a) and (b)]

The U A (or the Accounts Clerk) concerned will compile such receipts and all expenditure incurred up to the amount of the Deposit to the Head "M E S Deposits—Contribution" Expenditure in excess of the amount deposited will be compiled by the U A against "M E S —Advances", but outlay on Deposit Works should ordinarily be limited to the amount of the deposits received (see para 46)

(d) A separate Register of Expenditure (I A F W 2250, **Serial** No 60) will be maintained for Deposit Works by each Officer (see para 21)

(*a*)—contd.

accounting officer concerned These intimations will be made by all accounting officers by means of transfer vouchers relating to revenue (receipts or refunds) entered in their Cash Books, or whenever a treasury receipt relating to revenue is received. The Job Ledger which is maintained in connection with the Revenue Ledger will also act as a "Register of Revenue", and the figures recorded therein will be intimated to the C E monthly (see para. 22) on the form I A F W-2251, Serial No 67, the heading of which will be amended to read "Monthly Revenue Return"

(*b*) Except in the case of departmental charges on sales of stock on credit [see para 39 (*d*)] and of credits referred to in para. 37 (*b*), it is not permissible to credit Revenue to the head concerned until it is realized

The C R E is responsible that demands are made or intimated to his U A as revenue falls due, that steps are taken with a view to effecting prompt realisation of all revenue, regular or occasional, and that proper records are kept to show, in respect of all items of revenue, recurring or non-recurring, the assessments made, the progress of recovery, and the outstanding debts due to Government. The object in view is that all classes of revenue, whether accruing from property of any kind, from leases of rights and concessions, or from any other source are properly watched

(*c*) The recovery of all debts due to Government should receive the special attention of the C R E, and no debt should be remitted or written off except under the orders of competent authority.

(*d*) A distinction must be made between receipts which are finally creditable to Government as Revenue of the Department and transactions which represent merely such cash or other value received which has either to be eventually repaid, or to be utilised to meet the cost of some service to be rendered or already rendered, or to be taken in reduction of expenditure previously incurred Receipts of the latter class are creditable to the Budget Head concerned, or to some other Department, etc., or to M. E S. Deposits, and are not governed by the rules in this paragraph.

The rules issued by the Auditor General for regulating the exhibition of recoveries of expenditure in Government accounts are reproduced in Appendix V.

(*e*) Before a remission or refund of any kind, otherwise in order, is allowed, the original demand or realisation should be traced, and a reference to the remission or repayment should be so recorded against the original entry in the Cash Book or other accounts as to make the entertainment of a double or erroneous claim impossible. Any acknowledgment previously granted should be taken back if possible and destroyed, a note of the repayment being invariably recorded on the counterfoil of the original receipt.

(d)—contd

Payments will usually be made into treasury to the credit of the C. M. A. or the Controller of Army Factory Accounts, but payments may also be made in cash direct to the M. E. S. officer concerned within the limits laid down in para 16.

Note.—If the returns referred to in sub-para (b) above are not received by due date, the C. R. E.'s U. A., or the Deputy Assistant Controller of Army Factory Accounts will prepare the Rent Bills on the basis of the entries in the Rent Ledger for the previous month.

(e) The Accountants attached to the Military Units concerned, the Controllers of Military Accounts, the Controller of Army Factory Accounts, the Treasury Officer, or the Head of the Government office concerned, will complete the bills and recover the full amounts payable without prior notice being given to the individuals concerned.

One copy of the Rent Bills showing the amounts recovered and credited, will be returned to the C. R. E.'s U. A. or to the Deputy Assistant Controller of Army Factory Accounts by the 5th of the following month.

(f) On return of Rent Bills the C. R. E.'s U. A. or the Deputy Assistant Controller of Army Factory Accounts will enter up the Rent Ledger, and the Register of Rent Bills (I. A. F. W-1816 Serial No. 16) duly supported by treasury receipts.

The amounts recovered will be credited as Revenue receipts except that any recoveries made from a department of the Central Government will be treated as a reduction of expenditure under the Maintenance Sub-Head concerned or under sub head D. 1 "Rent for Hired Buildings" in the case of buildings hired on a non-repairing lease (see Appendix V, Rule 5).

The Rent Ledger will be scrutinized monthly by the C. R. E., or the Deputy Assistant Controller of Army Factory Accounts and initialled by him.

Responding debits for recoveries on account of rent etc. made through the Civil Accounts Officers or Cs. M. A. will be raised by the C. R. E.'s U. A. in anticipation of the original credits (see para 74).

(g) Rent bills are to be prepared for the current month except in the case of pensioners and private persons when rent is to be recovered monthly in advance.

(h) In the case of vacation of quarters before the last day of the month owing to the departure of the occupant on transfer, leave or retirement, the officers named in sub-para (a) above will intimate the probable date of vacation of quarters to the G. E. to enable him to intimate the same to the C. R. E.'s U. A. or the Deputy Assistant Controller of Army Factory Accounts.

The demand for rent for the broken period should be made at once so that the amount may be recovered before the occupant's departure.

(*l*)—contd

The latter after verification will sign and return one copy of the bill to the G E who will file it with his office copy

No adjustment on account of these transactions will be made in the M I S District account

56 Recovery of charges for electric energy hire of fans, etc

(*a*) Electric energy will be measured by means of meters which will be read monthly by the M E S meter reader as near the end of the month as possible

The meter reading will be entered in the meter card (I A F W 2182 Serial No 28) attached to the meter and in the meter reader s book (I A F W 2183 Serial No 29)

(*b*) From the meter reader s book the G E concerned will enter up the Consumers' Ledgers [see sub para (*m*) below] by the 5th of the following month

(*c*) Recoveries from non entitled consumers will be arranged by the M A D from officers and other ranks who are paid by that Department or by a Civil Accounts Officer

From all other non entitled consumers the amounts will be billed and recovered by the M E S

(*d*) The G E will prepare the Return of Recoveries (Electric) (I A F W 2218 Serial No 37) from the Consumers Ledger (Electric) and forward it to the C R E 's U A or to the Deputy Assistant Controller of Army Factory Accounts concerned so as to reach him not later than the 10th of the month following that to which the charge relates

The first entry will be the total to be recovered from private consumers direct by the M E S (no details to be given)

The remaining entries will give in detail the amounts to be recovered from other non entitled consumers

A separate return will be prepared for each installation

(*e*) From the Return of Recoveries the C R E s U A or the Deputy Assistant Controller of Army Factory Accounts will fill in columns 9 10 and 11 of the Rent Bill (I A F W 2241 Serial No 58)

Recoveries will be made from non entitled consumers in the same way as and together with recoveries for rent see para 55 sub paras (*d*) (*i*) and (*e*) On the return of the rent bills the C R E 's U A or the Deputy Assistant Controller of Army Factory Accounts will make out an abstract of the electrical recoveries made This abstract will show the complete recoveries made *i e* those made under this sub para and those made under sub para (*l*) below direct by the M E S

(m) (ii)—contd

entitled consumers. A separate page will be allotted for each building or set of buildings which are to be taken as a unit for purposes of assessment of charges for electric energy.

The procedure for meter reading, etc, described in sub-paras (a) and (b) above will be followed, except that where meters are not installed the monthly consumption will be as assessed by the G E under Regulations for the M E S

The ledgers will be entered up monthly and a Transfer Voucher (I A F W-2253 Serial No 69) showing the total number of units consumed will be prepared quarterly, in triplicate. The voucher will be priced at the sanctioned issue rate (see Regulations for the M E S)

In addition to charges for electric energy rent for internal electrical installations will also be included in the Transfer Voucher

Separate vouchers will be prepared for different units, etc, which are to be billed separately

The transfer voucher will be forwarded, in duplicate, to the Officer Commanding the Unit or Depôt, etc, concerned for acceptance. After verification he will sign and return one copy to the G E The G E will complete his office copy accordingly and pass the voucher to the C R E's U A. to enable him to effect the necessary adjustments The charges pertaining to the last quarter of the year will always be adjusted in the supplementary accounts of the closing year. The amounts included in the voucher must be accepted

All disputes, etc, will be dealt with as laid down in para 55 (k)

(iii) On the Consumers' Ledger—Special (I A F W-2170, Serial No 27) for entitled consumers of manufacturing and *quasi*-commercial concerns, *viz*, Grass and Dairy Farms, Medical Store Depôts and Workshops Bakeries, Butcheries, Army Ordnance and Clothing Factories and M E S Installations

After the consumers' ledgers have been entered up monthly [see clause (ii) above], the following procedure will be adopted as regards charges for electric energy and rent for internal electrical installations—

An abstract showing the totals for each concern will be prepared in duplicate, quarterly in the case of Dairy Farms and Medical Store Depôts and Workshops and annually in other cases, and one copy will be forwarded to the C R E's U A not later than the 10th of the month following the end of the quarter (or the year) to which it relates

The U A will then intimate the respective amounts including charges on account of rent of internal electrical installation, to the—

C M A concerned for Bakeries and Butcheries,

(*d*)—contd

The forms used for the purpose will be —

Rent Electric and Water Bill (I A F W 2241, Serial No 8)

Return of Recoveries (Water) (I A F W 2298 Serial No 103)

Water Bill (I A F W 2300 Serial No 105)

In a Cantonment station however the Return of Recoveries (I A F W 2298 Serial No 103) will be rendered in duplicate to the Cantonment Authority who will collect the amounts due from *all* non entitled consumers (see Cantonments Act No II of 1924) excluding those who are supplied with water under an agreement with the M E S Recoveries from the latter are made by the M E S in the same way as recoveries of charges for electric energy from private consumers [see para 56 (*f*)]

(*e*) The Cantonment Authority will deduct the cost of collection and audit charges from the amount collected and remit the balance into the treasury as a M E S receipt The treasury receipt together with the duplicate copy of the Return of Recoveries will be forwarded to the G E for transmission to the C R E s U A

(*f*) The procedure for the adjustment etc of charges for water in the case of entitled consumers will be as laid down in para 56 (*m*)

(*g*) Recoveries on account of charges for water will be treated in the same way as recoveries of rent [see para 55 (*f*)]

58 Recovery of rent for Furniture

(*a*) When furniture is supplied to a building for an individual who is not entitled to a free supply (see Barrack and Hospital Schedules) the G E concerned will intimate to the C R E s U A the capital cost of the articles supplied in each case as shown in the Furniture Distribution Ledger (I A F W 1814 Serial No 13) This capital cost will be calculated according to the rates given in the Furniture Rate List [see para 32 (*l*)]

(*b*) The U A will enter the capital value etc in the *Rent Assessment* Ledger (I A F W 2239 Serial No 56) and the amount of assessed rent only will be shown in the Rent Ledger (I A F W 2240 Serial No 57)

(*c*) The subsequent procedure for recovery etc of rent will be as laid down in para 55 (*b*) and (*d*) to (*l*)

(e)—contd

employed for this purpose must be the auctioneer appointed by the Master General of Supply for the station or group of stations, no other auctioneer may be employed without the prior concurrence of the Master General of Supply Auctions should be carried out in the presence of a M E S officer

Payment will be made by the auctioneer in accordance with his contract either into treasury or direct to the M E S officer who for the purpose of such sales will be the local representative of the Director of Contracts

Petty auctions at stations for which the Master General of Supply has not appointed an auctioneer may be carried out by the M E S Staff under the orders of the C R E

60 Measurement Books

(a) The Measurement Book (I A F W 2261, Serial No 77) is the basis of all accounts of quantities of work done by contract or piece work, or of materials received that have to be measured or counted It need not be used for —

(i) Work executed by casual personnel provided the measurements are recorded on the muster roll or casual personnel bill

(ii) Periodical Repairs when the measurements have been entered in a Standard Measurement Book [see para 31 (d)]

(iii) Requisitions up to any amount for petty repairs to buildings [see para 31 (c)] and up to Rs 3 000 for all other works

In both cases the detailed measurements will be recorded on the requisition

(iv) Stores received when details of such stores have been entered in suppliers bills or invoices which are received at the same time as the stores

In such cases the bills or invoices will be carefully recorded by the U A concerned and treated as the original records of the supplies made a note to this effect will be made by the M E S officer concerned on all suppliers' bills or invoices used as such The contractor bills pertaining to such supplies will be endorsed thus Stores received and found correct "

The Measurement Book will however be used in all cases in which detailed measurements of materials have to be made at the time of receipt, e g , timber

(b) The C R E 's U A will keep a Register of Measurement Books wherein will be entered the serial number of the book to whom issued date of issue, date of transfer from one S D O , etc

(*h*)—contd

Reference mu t be made in the abstract to the pages affected, and the measurements billed for will then be cancelled by means of a diagonal red line

Below the abstract there will be endor ed in red ink " Billed for on Voucher No (here enter voucher number assigned by the accounting officer to the bill) on (date) The endorsement will be signed by the accounting officer preparing the bill

A reference to the page in the Mea urement Bool must be made on the bill

(*i*) Except as provided for in sub para (*a*) above, the Measurement Book will be sent, in support of all bills prepared by an accounting officer to the U A concerned

The latter, before passing the bill to the C M A for payment will make and sign the following endorsement on the bill —

" Checked with the measurement bool and passed for Rs on (date) "

He will at the same time endorse over his signature below the abstract of the measurement bool —

" Checl ed and bill passed to Audit Officer on (date)

61. Schedule of Rates

Schedules of rates will be maintained in each District showing—

(*i*) The lowest rate at which metal can be supplied to the road side throughout the District These rates will be revised from time to time, as old quarries are exhausted or new ones opened or as circumstances make it necessary This schedule will be maintained irrespective of whether the metal is obtained from departmental quarries or from contractors

(*ii*) The rate at which each l ind of worl is commonly executed a well as standard labour rates This schedule is required for the purpose of preparing estimates and is also tal en as a guide when settling rates in contract agreement

62 Contracts

(*a*) Contracts may be made of the kind and on the Forms enumerated below These Forms contain full instructions and the terms may be altered to suit local conditions after if nece sary, consulting the C M A and Government legal authorities

(b)—contd.

which exceeds the powers of the officer concerned for accepting contracts.

Contracts for minor works and maintenance may be entered into for sub-divisions separately or collectively as required; such contracts may be annual, biennial, or triennial, at the discretion of the C. R. E.

Contracts for the supply of materials may similarly be given for periods up to three years

In all cases where the period of a contract for minor works, maintenance, or supply of materials, extends for over 12 months a clause must be inserted in the contract agreement providing that either party has the right to terminate the contract at a specified notice not exceeding 6 months

Any items of a Major Work costing less than Rs 10,000 may, at the discretion of the C R E be given to the contractor who holds the Minor Works contract of the sub-division concerned, provided that this contract contains a clause to that effect Such a clause must clearly specify that the contractor cannot claim the right to execute such items of a Major Work but that he must do so at his contract rates if so ordered by the C R E

(c) The C R E will maintain a contractors register wherein will be entered —

(i) The names of all approved contractors showing the amounts up to which each contractor is permitted to tender and whether he may be given lump sum contracts A copy of this register will also be maintained by each G E C R Es alone may permit the name of a contractor to be placed on this list, but for amounts beyond their powers the approval of the C E is necessary

(ii) The names of contractors not permitted to tender The approval of the C E is needed for placing the name of a contractor on this list or for removing it

(iii) A page for each contractor, whereon will be entered the contracts given to him As contracts are completed the fact will be noted in the register and the C R E will add a note as to whether the work was performed satisfactorily or not

(d) The G E 's U A will maintain a list of all contracts relating to the Division together with duplicate copies of these contracts [see para 63 (h)]

The G E will intimate to the C R E details of all contracts accepted by himself

The C R E 's U A will maintain a list recording particulars of all contracts given out in the District together with duplicate copies of all contracts accepted by the C R E or higher engineer authority [see para 63 (h)]

(e)—contd

In the case of unsuccessful tenderers who are present at the time of opening the tenders and whose earnest money is immediately returned to them, no receipt (see para 16) need be given, but the contractor will sign in the remarks column of the comparative statement of tenders (I A F W-1810, Serial No 11) In all other cases either when the earnest money is retained for any reason or a contractor is not present in person, a receipt on Form S 119 (Serial No 121) will be given Before such earnest money is refunded the original receipt will be taken back

(f) The most favourable tender that is considered reliable should be accepted The accepting officer will record his reasons for rejecting tenders lower than the one he accepts

(g) The original copy of every contract agreement will be forwarded, as soon as it is completed to the Audit Officer for record [see para 3 (f)]

Any subsequent amendments to a contract agreement will also be forwarded to the Audit Officer

Before forwarding contract agreements or amendments thereto to the Audit Officer the U A concerned will examine them and see that they are complete in every respect

In the case of Piece Work Contracts [see para 62 (a) (iii)] the accepting officer will attach for the information of the U A concerned a separate statement showing the approximate total value of the work to be done on the contract

The responsibility for the correctness of any contract in every respect lies with the officer by whom it is accepted

(h) Duplicate copies of all contracts are filed by the U As concerned [see para 62 (d)], such duplicate copies must be carefully compared with the originals and attested by the U A before the originals are despatched to the Audit Officer

A copy of every contract should also be furnished to the S D O in charge of the work

64 Acceptance and amendment of Contracts

(a) For purposes of determining the authority competent to accept a contract the amount of a contract is arrived at thus—

(i) gross amount of estimate

(ii) *minus* —

Allowance provided in the estimate for contingencies Items to be executed departmentally Value of materials issued direct to work,

and *plus* or *minus*—

Percentage allowed in the estimate below or above rate

(*h*) All expenditure and accounts relating to Establishment, Stock, and Revenue, are centralised in the office of the Commanding Royal Engineer

In the event of the Commanding Royal Engineer deciding to control personally any other expenditure, the accounts relating thereto will also be maintained in his office

(*i*) Audit, local audit, and disbursement, are carried out under the orders of the Controller of Military Accounts concerned who will also be responsible for the custody of all original cash vouchers and contract agreements

(e)—contd

In the case of unsuccessful tenderers who are present at the time of opening the tenders and whose earnest money is immediately returned to them, no receipt (see para 16) need be given, but the contractor will sign in the remarks column of the comparative statement of tenders (I A F W-1810, Serial No 11) In all other cases either when the earnest money is retained for any reason or a contractor is not present in person a receipt on Form S 119 (Serial No 121) will be given Before such earnest money is refunded the original receipt will be taken back

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64 **Acceptance and amendment of Contracts**

(a) For purposes of determining the authority competent to accept a contract, the amount of a contract is arrived at thus—

(i) gross amount of estimate,

(ii) *minus* —

Allowance provided in the estimate for contingencies Items to be executed departmentally Value of materials issued direct to work,

and *plus or minus*—

Percentage allowed in the estimate below or above rates

(e)—contd.

of work, materials, etc., are stated in the contract agreement, the approximate estimated value of the work to be done, materials supplied, etc., will be entered in the agreement.

If the actual value of the work done, etc., exceeds or is less than the approximate value stated in the contract this does not constitute an amendment to the contract except as otherwise stated below.

When the value of the work done exceeds or appears likely to exceed the approximate amount entered in the contract agreement *plus* a 10 per cent margin or to exceed the powers of the sanctioning engineer authority the M. E. S. officer concerned will take the following action:—

(i) *Obtain written sanction to increasing the approximate* value of the contract from the engineer authority competent to sanction a contract of the full revised value (including the increase).

(ii) Obtain the initials of the contractor to the amended approximate value in the contract agreement form.

If the contractor objects to increasing the value, then the contract should be terminated forthwith and a new contract arranged.

The value of a running contract may be altered as above at any time during the period covered by the contract.

After the expiry of the period covered by the contract an alteration in its value will constitute an amendment to the contract and will require the sanction of Government.

(f) The payment to a contractor of a bonus or compensation for which the State does not receive any value requires the sanction of Government.

65. Security Deposits of Contractors.

(a) Security deposits need not be taken from jails, regiments, or large and reliable firms. Also no security is taken in the case of Piece-work contracts [see para. 62 (a) (iii)].

(b) In all other cases security must be taken for the due fulfilment of a contract. This security may be—

(i) Deposit in cash up to Rs. 500 or up to any larger amount deposited as earnest money.

Government securities.

Municipal Debentures.

Port Trust Bonds.

(*d*)—contd

is empowered to refund a portion of a contractor's security deposit when any delay occurs in the audit of such accounts, provided that he is satisfied that the objects on account of which the deposit was taken have been served and that any claims outstanding against the contractor will be covered by the amount of the security deposit retained At the request of the depositor a security deposit or any portion thereof held in respect of an expired or nearly expiring contract may be appropriated in whole or in part towards the security deposit of another contract that has just been or is about to be entered into with the depositor The depositor's acknowledgment will be obtained in all cases of security returned which will, in the case of refund of an interest bearing security, set forth full particulars of the security

No securities should be refunded till the particulars of the claim have been verified with the receipt entries in the relevant book and the receipt granted to the depositor for the security has been surrendered If the receipt is not forthcoming the depositor must execute an indemnity bond (I A F A-297, Serial No 113) for double the amount of the security One bond may cover the loss of more than one receipt belonging to the same person

(*e*) Security deposits received in cash will either be credited as a receipt in the cash book of the accounting officer [see para 15 (*g*)], or be paid into the treasury on a receivable order [see para 16 (*a*)], the treasury receipt being passed to the U A concerned for carrying out necessary adjustment to the head M I S Deposits '

Security deposits recovered in the form of percentage deductions from contractors' bills will be credited direct by the U A concerned to the head " Deposits ", and debited to the work In all cases the contractor will be furnished with a receipt on S 119 Serial No 121, for the amount of security deposit deducted from his bills and the fact of the recovery having been made by deductions from the payment voucher should be clearly recorded on the receipt

In the case of savings bank deposits the accounting officer will satisfy himself by an inspection of the entries in the pass book that the amount deposited has been correctly pledged

All other securities will be disposed of in accordance with the general rules in Financial Regulations for the Army in India

(*f*) If the security deposit of a contractor is attached by any Court, the executive officer may, if there are no claims against the contractor, pay the security into Court otherwise the lien of Government on the security takes precedence of a claim by an attaching creditor, but if the contract be a joint one *i e* furnished by mo than one individual joining in a contract no security can attached to satisfy a demand against one of the partners al Security deposits or any other sum due to the estate of a dec contractor may be paid, without the production of usual authority under the orders of the C R E on execution indemnity bond with such securities as he may require,

(c)—contd

the estimated rates or certain percentages above or below them will be allowed, it will be seen that the standard rates adopted are those of the sanctioned detailed estimate which was in force at the time the agreement was executed, or, if the agreement was preceded by a tender, on the date the tender was signed by the contractor Subsequent sanctions to original or revised detailed estimates have no effect on the terms of such an agreement

(d) As a general rule payment for supplies is not permissible until the stores have actually been received or surveyed If, in any case, the E in C has permitted payment on production of a railway receipt, the U A (or Accounts Clerk) concerned will place the amount under objection pending the receipt of a bill based on actual measurement

(e) Payments on a Running account may be made up to —

(i) The full value at contract rates of all work which has been measured and the measurements recorded in a measurement book

(ii) 75 per cent of the difference between the value of any work, excluding hidden work that has been executed to the satisfaction of the G E or C R E but has not been measured up and the cost of stores issued up to date [under para 68 (a) (ii)]

In lump sum contracts payments on a running account are made in accordance with the terms of the contract agreement

The bill will be prepared on the Running Contract Bill Form (see sub para (a) above)

A separate sheet of this form will be used for entering work actually measured and recorded in a measurement book (see (i) above) from the abstract in the measurement book [see para 60 (g) and (h)] columns 7 and 9 will be entered up against the corresponding items copied from the abstract of the detailed estimate The contractor s percentage will be added to or deducted from the total of the values recorded in column 9

Work completed but not measured up (see (ii) above) will also be entered on a separate sheet of the Running Contract Bill Form The value of the work done will be approximately calculated by the percentage up to which separate items of the abstract of the detailed estimate are completed and will be entered up in columns 8 and 9 Payments for both measured and unmeasured work will be included in a single " Summary " (as printed on the reverse of the Running Contract Bill Form)

Charges against the contractor must be taken into account as in the case of the final bill (see sub para (c) above) The inclusion of a charge against a contractor in a Running Bill does not however form a recovery from a contractor Recoveries from a contractor can only be made in a final bill When a work

(i)—contd

A Ledger account need not be opened in cases in which the only payment is the final payment

(j) A contractor is entitled to be supplied with extracts from his Ledger and copies of bills

(k) Security Deposits of contractors will not be shown in their personal accounts in the Contractors' Ledger

(l) Fines and forfeiture of deposits of contractors will be credited to the work concerned if so ordered by the C R E, otherwise the amount will be credited as a Revenue receipt

(m) When the claims of Government against a contractor are *nil*, the amount due to the contractor (see sub para (f) above) can be paid into Court in satisfaction of a decree against the contractor The Court's decree will also apply to any sum which is admitted to be due to the contractor whether he has, or has not submitted a properly signed bill

In the case of a joint contract the Court's decree against one of the partners will not apply to any sum due to the joint contractors [see para 65 (f)]

67 **Advances to Contractors**

(a) Payments in advance may be made to contractors in accordance with sub paras (b) to (f) below Such payments are entered in the Expense Ledger of the work concerned as an "expenditure" and also as a "charge against" the contractor they are also entered in the Contractors Ledger I A F W 2264 Serial No 80

(b) Secured advances to a contractor for imperishable materials collected for use on a work may be sanctioned in cases in which the contract is for finished work up to an amount not exceeding 75 per cent of the value of the materials as assessed by the M E S officer concerned by the officer who accepted the contract or the C R E in the case of contracts accepted by higher authority In all such cases an agreement on I A F W 1833 A Serial No 21, must be executed

The accounting officer is personally responsible that recoveries are effected from bills as the materials are used and will sign the following certificate which will be attached to the hand receipt form —

> Certified (1) that the quantities of materials detailed in the attached schedule have actually been brought by the contractor to the site of the work and the contractor has not previously received any advance on their security, (2) that these materials are of an imperishable nature and are all required by the contractor for use on the work in connection with items for which rates for finished w

(a) (ii)—contd

rates of recovery from contractors will be credited or debited, as the case may be, to the work concerned and not to ' stock '

(b) When stores are issued for a work for which the contractor is paid for the completed work a list must be attached to the contract showing the quantities to be supplied the rates of recovery, and places of delivery In the case of contracts for minor works maintenance, etc , however, stores may be issued as required at specified rates from the M E S stock or brick field to a contractor for a *bona fide* use on the particular work tendered for a general provision to this effect being specifically made in the contract agreement The recovery to be made from the contractor must be shown both on the Stores Indent (I A F W 2274, Serial No 86) by the S D O concerned and on the Transfer Voucher (I A F W 2253 Serial No 69) by the D S O as follows —

Recover in full from Contractor "

Or if the stores issue rates differ from those specified in the contract the differences must be specified and an entry made on the voucher as follows —

" Recover Rs from Contractor

An unstamped but dated acknowledgment (I A F W 1826 Serial No 19) detailing full particulars of the materials including the rates and value chargeable to the contractor should at once be taken from him and will be passed to the U A (or Accounts Clerk) concerned

The recovery to be made will be noted by the U A (or Accounts Clerk) concerned in the expense ledger and in the contractors ledger and by the accounting officer in the contractor s next bill

(c) If a contractor asks for an issue of stores which are in stock but which have not been specified in the contract or for any difference in the quantities specified an agreement must be executed between the contractor and the officer who accepted the contract (or by the C R E in the case of contracts accepted by higher authority) specifying the quantities rates and places of delivery This agreement will be forwarded to the U A concerned who will attach a duplicate copy thereof to the duplicate copy of the contract and will forward the original copy to the Audit Officer [see para 63 (g)] But as regards the issue of stores in connection with minor works etc see sub para (b) above

Before entering into an agreement for the supply of articles which were not specified in the original contract of a contractor his account in the contractors ledger must invariably be consulted, with a view to avoid any loss to the State on account of there being a debtor balance against the contractor The agreement should provide that the issue of material will be stopped or made at t discretion of the G E (or the C R E)

(a) (ii)—contd

rates of recovery from contractors will be credited or debited, as the case may be, to the work concerned and not to ' stock '

(b) When stores are issued for a work for which the contractor is paid for the completed work, a list must be attached to the contract showing the quantities to be supplied, the rates of recovery, and places of delivery In the case of contracts for minor works, maintenance, etc , however, stores may be issued as required at specified rates from the M E S stock or brickfield to a contractor for a *bona fide* use on the particular work tendered for, a general provision to this effect being specifically made in the contract agreement The recovery to be made from the contractor must be shown both on the Stores Indent (I A F W 2274, Serial No 86) by the S D O concerned and on the Transfer Voucher (I A F W 2253, Serial No 69) by the D S O as follows —

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Or if the stores issue rates differ from those specified in the contract the differences must be specified and an entry made on the voucher as follows —

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An unstamped but dated acknowledgment (I A F W 1826 Serial No 19) detailing full particulars of the materials including the rates and value chargeable to the contractor should at once be taken from him and will be passed to the U A (or Accounts Clerk) concerned

The recovery to be made will be noted by the U A (or Accounts Clerk) concerned in the expense ledger and in the contractors' ledger and by the accounting officer in the contractor's next bill

(c) If a contractor asks for an issue of stores which are in stock but which have not been specified in the contract or for any difference in the quantities specified an agreement must be executed between the contractor and the officer who accepted the contract (or by the C R E in the case of contracts accepted by higher authority) specifying the quantities rates and places of delivery This agreement will be forwarded to the U A concerned who will attach a duplicate copy thereof to the duplicate copy of the contract and will forward the original copy to the Audit Officer [see para 63 (g)] But as regards the issue of stores in connection with minor works etc see sub para (b) above

Before entering into an agreement for the supply of articles, which were not specified in the original contract of a contractor his account in the contractors ledger must invariably be consulted, with a view to avoid any loss to the State on account of there being a debtor balance against the contractor The agreement should provide that the issue of material will be stopped or made at the discretion of the G E (or the C R E)

(*b*) The accounts of the endowments as described below are kept on the principle that the actual expenditure incurred in connection with the objects for which the endowments have been received is charged off as Civil works expenditure under Major Head 41—Civil Works and the income accrued in the shape of interest on the endowments is treated as Civil works revenue under Major Head XXX—Civil Works

Pro forma accounts are maintained separately comparing the expenditure with the income

NOTE —An ordinary endowment is intended to cover the expenses of ordinary annual maintenance relettering, and repairs but not the risk of accidents due to *floods* or *earthquakes or other extraordinary causes, which* can be covered only by an additional special endowment

(*c*) All endowment receipts of the month should be posted in the Register of Endowment Receipts (I A F W 2289 Serial No 94) maintained by the G E 's U A in respect of each cemetery and the total of the endowments received during the month (ordinary and special) should be struck against the last entry The totals of all receipts will be tallied with the total amounts to be credited monthly to the Head " Cemetery Endowment Fund "

(*d*) In the monthly accounts for March interest on the amounts of endowments as received to the end of that month should be calculated at the rates prescribed in the Ecclesiastical Rules and credited to the Head " XXX—Civil Works Revenue " by debit to " 20 Interest on other obligations—Interest on Cemetery Endowment Fund " The G E 's U A will simultaneously post the interest creditable to the account of the following year of each endowment in the Ledger account of endowments (I A F W 2290, Serial No 95)

(*e*) At the close of the year the ledger accounts of endowments (see sub para (*d*) above) should be written up These accounts will show the expenditure of the year against the interest on endowments received to end of previous year *plus* unspent balance (if any) of that year s ledger account

A separate set of folios should be reserved for each cemetery and the transactions of a year will be posted so as to show separately the figures for —

(*i*) each special endowment the amount of which exceeds Rs 25;

(*ii*) other special endowments collectively

(*iii*) all special endowments collectively *i e* (*i*) *plus* (*ii*),

(*iv*) all ordinary endowments collectively

(*f*) From the ledger accounts should be prepared for submission to the Military *Accountant General through the C M A* the annual account of cemetery endowments (I A F W 2291 Serial No a separate sheet being used for each cemetery and the am

(c)—contd

This rule applies also to expenditure on the provision of furniture or internal electrical installations in connection with residential buildings

(d) In cases where a building is actually occupied prior to closing the accounts of expenditure on its construction, acquisition, or equipment rent is chargeable from the date of occupancy and should therefore be fixed provisionally with the sanction of the competent authority

72 **Transfer of Charges**

(a) A register of incumbents of charges will be maintained by the C R E 's U A consisting of an index of accounting officers S D Os and Barrack Masters (or Assistant Barrack Masters), and a page for each charge showing the name of the incumbent and the period of his incumbency The nature and extent of the charge should be defined briefly in the index

(b) When an accounting officer is relieved a Transfer Certificate (I A F Z 2081, Serial No 124) will be prepared and signed by the relieved and relieving officer This Certificate will be sent to the C R E (or in the case of transfer between C R Es to the C E) for approval and transmission to the C M A

(c) When a S D O Barrack Master or Workshop Superintendent is relieved the relieving S D O Barrack Master or Workshop Superintendent, will fill in the Transfer Report (I A F W 1825 Serial No 18) which will be signed by the G E concerned and transmitted to the C R E

In cases where the S D O is an accounting officer a Transfer Certificate will also be submitted as in sub para (b) above

(d) In all registers measurement books etc and in the Cash Book (see para 15) an entry will be made thus —

Handed over on	*(Signature)*
Taken over on	(Signature)

(e) A relieving officer will act as if he had been in charge from the 1st of the month in which the transfer took place but the relieved officer remains responsible for all transactions up to the actual date of transfer

(f) Both officers will be considered as on duty during the period spent in taking over whenever the transfer of charge is prolonged the C E or the C R E will ordinarily intimate to the C M A that the time taken is reasonable If the C R E (or the C E in the case of transfers between C R Es) considers that the time taken is unreasonable either the relieved or relieving officer —

PART II

74 General Accounting Principles

(a) The duties carried out by the M E S give rise to a number of transactions with other districts and departments, etc , all of which have to be brought to account

(b) The transactions are grouped under the heads shown below —

(i) " Expenditure Heads " for charges adjustable finally in the accounts of accounting officers

(ii) " Revenue Heads for revenue receipts creditable finally to Government in the accounts of C R Es

(iii) " Remittance Heads " (credits and debits) for values received from or issued to other M E S divisions or districts, or other departments

(iv) ' Debt Heads for receipts and payments held in suspense pending clearance by payment or recovery (as the case may be) in cash or by adjustment

The Suspense accounts for this group are treated —

either as heads subordinate to the expenditure heads (see para 38)

or as independent heads of account (see para 47)

(c) In the case of Expenditure and Revenue Heads the main unit of classification is known as the Major Head which is further divided and sub divided into Main Sub and Detailed Heads as laid down in Appendix I

(d) Remittance Heads are as enumerated below —

(i) *Military Exchange Accounts*

For transfers between M E S and M E S , and between M E S and Military outside the Military Accounts District in both cases

(ii) M E S Remittances—Items adjustable by Military

M E S Remittances—Items adjustable by M E S

For remittances and other transactions between M E S and Military within the same Military Accounts District

(iii) M E S Transfers

For transfers between M E S Divisions etc , within th M E S District also between M E S Districts wi the same Military Accounts District

(*b*)—contd

The Military Engineer Services are organised by *Commands* under the administration of Chief Engineers, and in executive *Districts* (corresponding with military districts) in charge of Commanding Royal Engineers Each District is divided into *Divisions* in charge of Garrison Engineers whose areas are further divided into *Sub-divisions* in charge of Sub Divisional Officers and *Furniture charges* under Barrack Masters

(*c*) For ordinary engineering works the Sub Divisional Officers are called Sub Divisional Officers, Buildings and Roads

(*d*) For electrical and mechanical duties one or more officers are posted to each Chief Engineer and Commanding Royal Engineer, their duties are usually advisory but they may, if required, be given executive charge of definite works For each Division, where required, one or more Sub Divisional Officers, Electrical and Mechanical, working directly under the Garrison Engineer of the Division, are appointed (see Regulations for the Military Engineer Services).

(*e*) The Barrack Department is a branch of the Military Engineer Services concerned with the supply and distribution of furniture and duties connected with the occupation of buildings

The Barrack Department is organised in definite charges within each Division The head of each charge is a Barrack Master or Assistant Barrack Master working directly under the Garrison Engineer of the Division

(*f*) Technical Sections

(a) (i) Transfer Entry Book (I A F W-2254, Serial No 70) (Para 25)

(ii) Contingent Bill Register (I. A F W-2272, Serial No 84) (Para 36).

(iii) Registers of Suspense Account (I A F C. M A-258, Serial No 118) (Paras 46 and 47) —

to record transactions pertaining to M E S Advances and M E S Deposits

(iv) Contractors' Ledger (I A F W-2264, Serial No 80) (Para 66)

(ix) Register of Specimen Signatures (I A F W-2243, Serial No 60) (Para 78)

NOTE 1—When a Barrack Master S D O E & M etc only requires a single clerk for both accounts and correspondence duties [see para 3 (d)] the Expense Ledgers and Job Ledgers may be maintained in his office by his M E S clerk

This clerk will be under the G E's U A as regards his accounts duties and he will take his accounts and any vouchers relating thereto, to the G E's office as required by the U A

NOTE 2—The special rules governing the initial accounts to be maintained in a Workshop are laid down in para 45 These accounts will be embodied in the accounts of the C R E or of the G E of the station The relevant registers and returns other than those required to be maintained by the Workshop Accounts Clerk will be prepared from the original workshop accounts records which will be taken as required to the office of the C R E or G E

(b) The Accounts Clerk will enter up the transactions relating to works expenditure in the relevant expense ledgers These entries will be made from the original cash vouchers which will have been entered in the Cash Book of the S D O (see para 15), and from the "allocated" transfer vouchers which he will also record in the Transfer Entry Book

The Accounts Clerk will not be responsible for entering the corresponding credits or debits in the various schedules, etc, forming part of the Monthly Accounts (see para 79), but, as an exception to this rule, he will post the debits and credits in the Registers of Suspense Account [see sub-para (a) (iii) above]

(c) The Accounts Clerk will be under the orders of the G E's U A and will submit to him by the 12th of the following month [see para 22 (a)], or by such earlier date as may be ordered by the G. E., the following accounts duly signed by the Accounting S D O —

(i) Copy of the Cash Book [Para 15 (d)] supported by all cash vouchers

(ii) Monthly Expenditure Return (I A F W-2251, Serial No. 67) (Paras. 22 and 53)

a)—contd

In addition he will also be responsible for the upkeep of —

(i) Register of Grants (I A F W 2244, Serial No 61) (Para 12)

(ii) Schedule of Bills (I A F W-2248, Serial No 64) [Para 17 (h)]

(iii) Expense Ledgers (I A F W-2242, Serial No 59) (Para 19 and Appendix IV) for —

New Supplies of Furniture (Para 32)

General Charges (Para 34)

(iv) Job Ledgers (I A F W 2249, Serial No 65) (Para 20 and Appendix IV) in connection with the Expense Ledgers enumerated above

(v) Schedules of Credits to Remittances (I A F W 2292, Serial No 97)

Separate schedules will be prepared for the several remittance heads detailed in para 74 (d)

The ordinary classes of transactions falling under these heads will be the value of stores issued or charges incurred, by other Military Departments, other M E S Districts, and other accounting officers within the District

In the case of remittances from Civil to Military the chief items will be the cheques or remittance transfer receipts drawn on Civil treasuries

Revenue realised under Major Head XXX—Civil Works—Revenue will be shown separately from other credits the amounts being taken from the Classified Abstract of Receipts and Expenditure (see para 79)

(vi) Schedules of Debits to Remittances (I A F W 2292 Serial No 97)

Separate schedules will be prepared for the several remittance heads detailed in para 74 (d)

The ordinary classes of transactions falling under these heads will be the value of stores issued to or work done etc for other Military Departments other M E S Districts and other accounting officers within the District

In the case of remittances from Military to Civil the chief items will be the amounts on account of miscellaneous receipts paid into Civil treasuries

Expenditure incurred under Major Head 41—Civil Works will be shown separately from other debits the amounts being taken from the Classified Abstract of Receipts and Expenditure (see para 79)

(*b*)—contd

Accounts, in other words every such debit or credit posted in the expense ledgers of one accounting officer should be set off by corresponding credit or debit in the expense ledgers of the other accounting officer

NOTE 1—The U A attached to the office of the G E (Civil) Hazara (who is directly under the Deputy C E North West Frontier Province), deals directly with the Deputy C M A (Works) North West Frontier Province

NOTE 2—Except as elsewhere specified the A C P E Northern Command Park is treated as a G E for purposes of the Code and his accounts are embodied in those of the C R E Lahore District

(*c*) The duties detailed in para 75 (*f*), (*g*), and (*h*), also devolve on the G E's U A who will, in addition, check the following classes of bills, documents, etc —

(*i*) Casual Personnel Bill (I A F W 2238 Serial No 74) (Para 27)

(*ii*) Annual Returns of E & M Installations referred to in para 33

(*iii*) Bills pertaining to General Charges referred to in para 34

(*iv*) Monthly Return of Furniture/Tools and Plant (I A F W 2194 Serial No 32) (Paras 32 and 37)

77 Duties of the C R E s Unit Accountant

(*a*) The duties of the C R E s U A will be similar to those of the G E's U A (see para 76) in respect of all expenditure directly operated by the C R E

In addition he will maintain the following registers —

(*i*) Register showing receipt and issue of Receipt Books (Form S 119) (Para 16)

(*ii*) Expense Ledgers (I A F W 2242 Serial No 59) (Para 19 and Appendix IV) for —

Establishment Charges (Para 35)

Stock (Para 41)

Stores Purchases in India/England (Paras 42 and 43)

(*iii*) Job Ledgers (I A F W 2249 Serial No 65) (Para 20 and Appendix IV) in connection with the Expense Ledgers enumerated above

(*iv*) Summary of Receipts/Issue (I A F W 2163 Serial No 25) and Priced Stock Ledger (I A F W 2157 Serial No 23) referred to in para 41

(b)—contd

Accounts, in other words every such debit or credit posted in the expense ledgers of one accounting officer should be set off by corresponding credit or debit in the expense ledgers of the other accounting officer

NOTE 1—The U A attached to the office of the G E (Civil) Hazara (who is directly under the Deputy C E North West Frontier Province), deals directly with the Deputy C M A (Works) North West Frontier Province

NOTE 2—Except as elsewhere specified, the A C R E, Northern Command Park is treated as a G E for purposes of the Code and his accounts are embodied in those of the C R E Lahore District

(c) The duties detailed in para 75 (f), (g), and (h) also devolve on the G E's U. A who will, in addition, check the following classes of bills, documents, etc —

(i) Casual Personnel Bill (I A F W 2258 Serial No 74) (Para 27)

(ii) Annual Returns of L & M Installations referred to in para 33

(iii) Bills pertaining to General Charges referred to in para 34

(iv) Monthly Return of Furniture/Tools and Plant (I A F W-2194 Serial No 32) (Paras 32 and 37)

77 Duties of the C R E s Unit Accountant

(a) The duties of the C R E 's U A will be similar to those of the G E's U A (see para 76) in respect of all expenditure directly operated by the C R E

In addition he will maintain the following registers —

(i) Register showing receipt and issue of Receipt Books (Form S 119) (Para 16)

(ii) Expense Ledgers (I A F W 2242 Serial No 59) (Para 19 and Appendix IV) for —

Establishment Charges (Para 35)

Stock (Para 41)

Stores Purchases in India/England (Paras 42 and 43)

(iii) Job Ledgers (I A F W 2249 Serial No 65) (Para 20 and Appendix IV) in connection with the Expense Ledgers enumerated above

(iv) Summary of Receipt /Issue (I A F W 2103 Serial No 2) and Priced Stock Ledger (I A F W-2157, Serial No 2) referred to in para 41

(c) (i) Balance Credit in the Workshop Overhead Charges Expense Ledger (Para 4)

This amount will only be adjusted once a year in the month of March

The U A will also watch that the monthly abstract in respect of charges for officers salary and travelling claims [see para 35 (d) and (f)] is received by him As the credits on account of deductions made from salary bills on account of income tax, etc , have been compiled by the C M A in the relevant schedules the U A will for purpose of balancing his accounts only enter the deductions in lump sum in the schedules concerned

(d) The C R L 's U A will be responsible for —

(i) Checking the Monthly Stock Return (I A F W 2191, Serial No 32) (Para 40)

(ii) Bringing to the notice of the D S O any appreciable discrepancy between the value of Stock as shown by the Priced Stock Ledgers and the Stock Expense Ledger

(iii) Seeing particularly that transfer vouchers relating to the transfer of stock from one M F S store to another, within the District are not entered in the Transfer Entry Book

Also for verifying that any quantities issued from one store are brought on to the Stock Return of another store whether *in the same or in the subsequent month* except that issues made in the months of March and September must be brought to account during those months

(iv) Preparing in certain cases Rent Electric and Water, Bills (I A F W 2241 Serial No 58) (Paras 55, 56 57 and 58)

(v) Maintaining a list containing particulars of all contracts given out in the District together with duplicate copies of all contracts (as well as of any amendments thereto) accepted by the C R E or higher engineer authority [see para 62 (d)]

(e) The C R E s U A will prepare, from the requisite information furnished by G E 's U As and from the statistics obtained from the Rent Ledgers etc the Capital and Revenue Accounts in respect of Civil buildings for submission to the Military Accountant General (see para 71)

(f) When the C R E 's office is located at the same station as the Command Controller's office, the C R E 's U A may also be required to maintain a Register of Grants for the entire grants given to the Command except that the budget control over grants for Civil and Military Works etc , in the North West Frontier

(a) (ii) All Imprest holders

NOTE — A similar register will be maintained in the office of the C M A for all officers presenting salary bills and travelling allowance claims

Specimen signatures will be furnished by the head of the office concerned to the U A or to the C M A as the case may be, they will be pasted in the Register against the relevant entries

(b) The U A concerned will see that the provisions of paras 5 and 18 are fully complied with and that there is no breach of the canons of financial propriety as laid down in the Financial Regulations for the Army in India

He will promptly bring all irregularities to the notice of the accounting officer concerned

(c) Every U A will furnish the C M A (through the C R E 's U A) by the 18th of each month with a Statement of items placed under objection (I A I C M A 262, Serial No 119) He will promptly report to the C M A any work estimated to cost R 10 000 or over which has been put in hand without either administrative approval, technical sanction, or allotment, also any other irregularity about which in his opinion, the C M A should be informed

(d) All vouchers should be "cancelled" by means of a perforating or endorsing stamp and kept carefully to be made available for audit whenever demanded

Stamps affixed to vouchers should be so cancelled that they cannot be used again and with this object they are punched through but care should be taken that the acknowledgment of the payee is not destroyed thereby

Vouchers relating to new supplies of furniture tools and plant, or stock will be completed by noting thereon the name of the month in which the articles were brought on to the appropriate monthly return

(e) When a payment is made on account of unpaid wages a reference to the voucher number and date of such payment will always be made against the original entry in the muster roll or casual personnel bill in which the wages were first drawn, in order to avoid the risk of double payment

(f) The U A concerned will ensure that in the case of a Major Work comprising more than one item the expenditure on which is recorded in a Job Ledger on I A F W 2250, Serial No 66 [see para 20 (c)] columns 1 2 and 4, are entered up from the Plinth Area Estimate as regards title and number of each item and provision made

Columns 5 and 6 will be written up as technical sanction and allotment of funds is given to each item

The expenditure up to the end of any month, or on completion of the work will be compared both with the amounts administratively approved and with the amounts technically sanctioned

(e) (i)—contd

Expenditure, and English Cost of Stores [see (ii) and (iv) below]

(ii) Register of Suspense Accounts (I A F C M A 258, Serial No 118) for transactions pertaining to M E S Advances and M E S Deposits

(iii) Schedules of Debits or Credits to Remittances (I A F W-2292, Serial No 97)

(iv) Schedules of Debits Credits to Miscellaneous Heads of Account (I A F W-2293, Serial No 98) for recording transactions pertaining to Cemetery Endowments, Interest on Cemetery Endowments General Provident Fund, Income Tax, English Cost of Stores, and Gain or Loss by Exchange

The total amount of cheques issued during the month will be entered in the Credit Schedule of Remittances [(e) (iii) above] as a single entry for treasuries of each Civil Audit Circle This total will be compared with that obtained from the list of cheques received from the Audit Officer (see para 77) The difference (if any) which will be due to cheques issued by the Audit Officer during the last days of the month should be debited to the Head "P—Deposits and Advances" and its clearance watched in the next month's account

(f) The Cash Book of an accounting officer is closed on the 25th of each month [see para 15 (b)] and the final date for closing Stock transactions of the District is fixed according to the orders in force in each District [see para 40 (d)]

The Transfer Entry Book [see para 25 (g)] for each month should be closed as soon as possible after the expiry of the month, but not before all [illegible] the month have been incl[illegible] its for work done in worksh[illegible] charges expense ledger to [illegible] (k)]

NOTE—In the accounts for March Supplementary (see para 80) no actual cash or stock transactions take place but only such adjustments are effected as are necessitated on account of transactions with other Departments, etc, which have taken place before the close of the financial year

(g) The U A concerned will before preparing the Classified Abstract of Receipts and Expenditure [see sub para (h) below] and the Monthly Account, scrutinize the accounts maintained in his office

The G E 's U A will see in particular that —

(i) The copies of the Cash Book [see para 15 (d)] and the Transfer Entry Book supported by relevant vouchers, received from Accounting S D Os in the Division are complete in all respects

(ii) All sums receivable are duly realised and credited to the proper heads of account

(j) Whenever a debit (or credit) is posted in any expense ledger, schedule, etc, it is absolutely essential that a corresponding credit (or debit) should be posted simultaneously in the relevant schedule, expense ledger, etc For example—when a contractor's bill is paid and posted as a debit in the expense ledger concerned, the corresponding credit will be entered in the Schedule of Credits to Remittances "—etc, etc

(k) With a view to testing the accuracy of the postings of receipts and expenditure under proper budget and other heads of account in the original records (expense and revenue ledgers, etc) and in order to effect reconciliation of the accounts an "Abstract of Receipts and Payments" (I A F C M A 257 Serial No 117) will also be prepared by the U A concerned

This Abstract is written up throughout the month from the original vouchers relating to cash stock or other adjustments

The vouchers relating to each accounting S D O will be entered in a separate Abstract on receipt of the copies of his Cash Book and Transfer Entry Book [see sub para (g) (i) above]

The totals shown in the Abstract of Receipts and Payments should tally with those shown in the Classified Abstract of Receipts and Expenditure and in the relevant schedules supporting the Monthly Account

80 Review of Accounts

(a) The several registers and schedules relating to the Suspense and special heads of account and those in the Contractors' Ledger Expense and Rent Ledgers etc will be reviewed monthly by the U A concerned so that necessary steps for the expeditious clearance of outstanding balances whether by actual recovery payment, or by adjustment in the accounts may be regularly taken Towards the end of the year special steps will be taken with a view to bring about all possible reductions in the number and amounts of outstanding items

(b) The financial year terminates on the 31st March and no actual transactions taking place after this date can be treated as pertaining to the year As certain transactions which may have taken place before the close of the financial year remain unadjusted on the above date and as it is necessary that they should be included as far as possible in the accounts of the closing year, the Transfer Entry Book (see para 25) is kept open to a date intimated annually by the Military Accountant General The accounts are then closed and a compiled monthly account (see para 79) submitted to the C M A This account is known as the Supplementary Account of the year

(c) Items wrongly classified in the accounts both in respect of Revenue and Expenditure heads, may be corrected at any time before the

(b) The cost of land required by the Civil authorities on behalf of the M E S is chargeable in the accounts of the latter under the budget heads concerned in accordance with the rules contained in Regulations for the M E S

(c) Cash expended, or stores or tools and plant supplied, by one M E S District on behalf of another M E S District or by one Division for another within the District will be charged off finally in the accounts of the officer who makes the payment under the appropriate head unless—

(i) the amount of each transaction exceeds Rs 10

(ii) the expenditure is in respect of salaries or travelling allowances

Otherwise it will be adjusted through the Exchange Accounts

NOTE—Charges for Stock issued from M E S Stores to Divisions in the District, will however be dealt with as ordinary issues and their value will be adjusted in the expense ledgers of the accounting officer concerned

(d) Cash not exceeding Rs 50 for each transaction expended by the M E S for another department of the Central Government other than on account of original works and maintenance of buildings will be debited against "Main Head 'A'—Works Sub head 8—Minor Works"

In the case of contingent charges the amount will be debited against Main Head 'E—Establishment The limit in the case of recurring charges is fixed at Rs 10

NOTE—This rule does not affect any expenditure incurred by the M E S officers which is finally debited in their accounts to the budget heads other than '50—M E S"

Any amount exceeding these limits will be debited in transfer through remittances [see para 74 (d)]

(e) The general procedure to be followed in effecting adjustments by book transfer is laid down in the Military Account Code

(f) For transfer transactions between accounting officers within the District or between two M E S Districts, whether or not in the same Military Accounts District, the originating Division or District should send transfer vouchers (see para 25) to the Division or District concerned as soon as the transaction occurs The responding Division or District shall acknowledge the debit on the original copy In cases where the transfer vouchers are exchanged direct by the M E S officers of two Districts which are not worked by the same C M A the officers concerned will be primarily responsible for the expeditious clearance of remittance transactions

83 Security Deposits of Establishments

(a) When a security is taken from any of the individuals referred to in para 35 (k) and (l) for the custody of cash or stores entrusted to them a security bond (I A F W-1802, Serial No 8) must be

(c)—contd

deposit to an individual after he is discharged or becomes non-effective

84 **Register of Securities**

(a) A Register of Securities will be maintained by the C R L on I A F W-2286, Serial No 92 in which will be recorded the receipt or disposal of the security deposits of contractors and establishments (see paras 65 and 83) The original acknowledgments of the depositors for the refund of security deposits will, except in the case of refund of cash deposits be properly filed with this Register

(b) The C R F will annually record in the Register a certificate to the effect that all securities except cash deposits or savings bank pass books of contractors shown as outstanding in this account, or the acknowledgments of the authorized custodians are in his possession or in that of the C M A

(c) A similar Register will be maintained by the G I in respect of security deposits of contractors which are recovered in cash or are deposited in the form of Saving Bank Deposit

(d) The principal requirements which govern the distribution of the accounts personnel are —

(i) Expense Ledgers and Job Ledgers will not be duplicated

(ii) The accounts should whenever possible, be kept in the office of the accounting officer (C R E, G E, or accounting S D O) concerned

(iii) The accounts must be kept in such a position that they can be seen at any time, and without inconvenience, by the S D O who is actually in charge of the work

In cases where the S D O is located at an out station he will be an accounting S D O and the necessary accounts clerk (or clerks) will be attached to his office Such accounts clerks will be under the orders of the Unit Accountant attached to the G E concerned

The number of accounting S D Os should be kept to a minimum and the approval of the C 1 and concurrence of the C M A is required in each case

If a S D O only requires a single clerk for both correspondence and accounts duties (e g, S D O E & M, or Barrack Master) the accounts will usually be kept in the office of the S D O concerned The clerk will be a M E S clerk working under the orders of the G E's Unit Accountant as regards the accounts portion of his work

NOTE —Sub overseers are employed on the supervision of work under the orders of a S D O They do not normally prepare or submit bills and it is not necessary for them to see or to keep any accounts

(e) The general principles for determining the Accounts Staff required are laid down in sub paras (a) to (d) above The exact arrangement and location of the personnel will be fixed by the C M A in accordance with local requirements

(f) The C M A concerned will be responsible for the audit of all M E S expenditure, he will also be responsible for disbursements and for the custody of all original cash vouchers receipts, and contract agreements

Audit Officers in respect of M E S expenditure, together with the necessary staff, will be detailed by the C M A and will work under the direct orders of the C M A independently of the accounting staff attached to M E S offices

In the case of 1st class districts Audit Officers will, so far as possible be located in the same station as the C R E (and may be in the same building) They will in no way form part of the C R E's office but will if required, assist the C R E with advice on accounts matters

So far as practicable audit will [except as otherwise stated in para 17 (b)] take the form of pre audit, but where pre audit will neces-

APPENDICES.

APPENDIX I.

Budget Classification.

[See para 6 (*a*)]

The Major Heads, Main Heads, Sub-heads, and Detailed Heads, under which expenditure incurred and revenue realised by the M E. S is classified, are as follows:—

(i) MILITARY WORKS.

M E S Distinguishing Letter	*Budget Major Head*
M	50—M E S
R	48—Army R A F
O	48—Army Ordnance and Clothing Factories (see note below).
F	48—Army Farms
N	49—Marine

Main Head A—Works

Sub-Head

1 Accommodation—
  (*a*) Officers' Quarters and Messes
  (*b*) British Troops
  (*c*) Indian Troops
  (*d*) Miscellaneous Units
  (*e*) Auxiliary and Territorial Forces

2 Hospitals—
  (*a*) British
  (*b*) Indian.

3. Buildings for Depots, etc ,—
  (*a*) Training and Educational Institutions
  (*b*) Ordnance Depots
  (*c*) Ordnance Inspection
  (*d*) I A S C Depots
  (*e*) Medical Store Depôts
  (*f*) Remount Department

4 Special Works—
  (*a*) Defences
  (*b*) Mobilization
  (*c*) Miscellaneous

5 Lands, Communications, and Drainage—
  (*a*) Lands
  (*b*) Military Roads in Cantonments
  (*c*) Military Roads *ex* Cantonments
  (*d*) Railway Sidings
  (*e*) Drainage
  (*f*) Conservancy

6 Furniture—
  (*a*) New Supplies
  (*b*) Deduct cost of furniture debitable to the Royal Air Force.

Main Head D—General Charges

Sub-
Head

1 Rent for Hired Buildings—
 (a) Expenditure
 (b) *Deduct* receipts from other departments of the Central Government on account of rent for buildings hired on a non repairing lease
2 Rent for Land
3 Rates and Taxes
4 Payments on account of compensation for Quarters, etc
5 Payments for Railway Sidings and Platforms
6 Care of vacant Buildings
7 Miscellaneous

Main Head E—Establishment

Sub-
Head

1 Direction (Engineer in Chief's Office)—
 (a) Pay and Allowances—Officers
 (b) Pay and Allowances—Engineering Establishments—Buildings and Roads
 (c) Pay and Allowances—Engineering Establishments—Electrical and Mechanical
 (d) Pay and Allowances—Engineering Establishments—Furniture and Stores
 (e) Pay and Allowances—Clerical and Drawing
 (f) Pay and Allowances—Menial
 (g) Travelling Allowances
 (h) Contingent Charges
 (i) Payments to other Departments
 (j) Credits from other Departments
 (k) Pay of Officers on furlough in England
 (l) Pay of Officers in India not on duty with the M E S (e g, Staff College)
 (m) Leave Passage Concessions
2 Administration (Chief Engineers Offices)—
 Detailed Heads as for Sub head 1
3 Executive (C R E s and G E s Offices)—
 Detailed Heads as for Sub head 1

Main Head F—Tools and Plant

Sub-
Head

1 M E S Expenditure
2 Payments to other Departments
3 Credits from other Departments

Main Head G—Suspense

Sub
Head

1 Stock
2 Stores purchases in India
3 Stores purchases in England—
 (a) Cost of Stores
 (b) Customs duty debits
 (c) Customs duty credits
4 Manufactures
5 Workshops
6 Military Engineer Services—Advances

(ii) CIVIL WORKS EXPENDITURE

M E S Distinguishing Letter	*Budget Major Head*
E	41—Civil works—Central, under the E in C, voted
A	41—Civil works—Central under the E in C, non voted
C	41—Civil works—Central, voted, North West Frontier Province and Baluchistan
B	41—Civil works—Central non voted, North West Frontier Province and Baluchistan
W	20 A—Frontier Watch and Ward

Main Head A—Major Works—Building

Sub Head

1 Customs
2 Land Revenue
3 General Administration
4 Administration of Justice
5 Jails
6 Police
7 Frontier Constabulary (non voted)
8 Frontier Forces (non voted)
9 Political (non voted)
10 Ecclesiastical (non voted)
11 Education
12 Medical
13 Aviation
14 Agriculture and Miscellaneous Departments
15 Civil Works

NOTE —These are the sub heads most commonly operated against A full list of sub heads will be found in the Public Works Account Code Any other sub heads which may be operated against can be added as required to the above list

Main Head B—Major Works—Communications

Main Head C—Minor Works—Buildings

Sub heads as for Main Head A

Single Expense Ledger per S D O with a separate Job Ledger for each Sub Head

Main Head D—Minor Works—Communications

Single Expense Ledger per S D O with Job Ledger

Main Head E—Maintenance—Buildings

Sub heads as for Main Head A

Single Expense Ledger per S D O with a separate Job Ledger for each Sub-Head

Main Head F—Maintenance—Communications

Single Expense Ledger per S D O with Job Ledger

APPENDIX II

Budget Numbering

[See para 6 (c)]

The following system of allotting "Budget Item Numbers" to Grants and Allotments in the M E S Budget will be adopted for the purposes of simplifying compilation and for the numbering of Expense Ledgers etc —

(a) For every Major Head of the Budget a capital letter will be assigned as under —

M	50—M E S
R	48—Army R A F
O	48—Army Ordnance and Clothing Factories
F	48—Army Farms
N	49—Marine
E	41—Civil Works—Central under the E in C voted
A	41—Civil Works—Central under the E in C, non voted
C	41—Civil Works—Central voted North West Frontier Province and Baluchistan
B	41—Civil Works—Central, non-voted North-West Frontier Province and Baluchistan
W	29-A—Frontier Watch and Ward
D	Deposit Works

(b) The first capital letter will be followed by a second capital letter representing the Budget Main Head e g (for 50-M E S), A for Works B for Maintenance, Buildings Communications etc C for Maintenance and Operation—Installations, etc (see Appendix I)

(c) The two capital letters will be followed by the Budget sub-head and detailed head (if any) numbers, e g, A 1 (b) Accommodation—British Troops C 4=Miscellaneous Machinery etc (see Appendix I)

In the case of a Major Work the number allotted to the work (as shown in the budget) will be added after the detailed head such numbers will be serial under each detailed head, and the same number for a work will be retained from year to year as long as that work is included in the Budget

Non budget numbers of Major Works will be added in continuation of Budget numbers

(d) For M A S account (see para 50) or for Minor Manufactures [see para 44 (d)] the Budget number will be the number of the work or budget sub head concerned, after which will be added the capital letters M A S or M M respectively

(e) Expense Ledgers, entries in Registers of Expenditure and Monthly Expenditure Returns, etc will be lettered and numbered as above

For example —

M A 1 (b) 5	=50—M E S—Main Head A Works—Accommodation British Troops—Budget Item Number 5
M A 1 (b) 5 M A S	=M A S account opened in connection with the above work
R B 1	=48—Army R A F—Maintenance Buildings Etc etc

These numbers are the Budget Numbers of the works referred to

(f) In order to indicate the particular accounting officer sub division etc to whom the Expense Ledger etc pertains a stroke will be placed to the right of the Budget Number thus / after which will be added one or two capital letters which have the meanings specified below —

Northern Southern, Eastern and Western Commands are assigned the letters N S E W, respectively

APPENDIX III

Form of Allocation

[See para 6 (*d*)]

No entry may be made in an Expense Ledger until the voucher relating thereto has been "allocated" by the S D O (or accounting officer) concerned and the allocation has been signed by the accounting officer

A U. A (or Accounts Clerk) is not permitted under any circumstances either to make or to correct an allocation

Incorrect allocations must be returned to the accounting officer for amendment

The allocation will be entered at the bottom of the voucher in the following form·—

Voucher Number
Dated
Enter in E L No

Col	Rs	These will show entries to be made in columns 5, 6 8, 9, 12, or 13
Col	Rs	
Col	Rs	
Job No	Rs	These will show entries to be made in the "Remarks' column of the Expense Ledger
Job No	Rs	
Job No	Rs	

(Dated initials of S D O)

(Dated signature of Accounting Officer)

When the allocation has been entered in the Expense Ledger the U A (or Accounts Clerk) will endorse the voucher below the allocation as under —

" Entered as above in Expense Ledger Item No ,

(Dated initials of U A or Accounts Clerk)

NOTE —In cases where the number of Jobs is too great to be entered in the Remarks Column of the Expense Ledger they will be entered on the back of the Expense Ledger Form and a note to that effect will be made in the Remarks Column against the expenditure entry

Main Head C—Maintenance and Operation—Installations—contd

C 3 Ice.

A Job Ledger will be kept in each case

In this Job Ledger the "Jobs" will be identical with the items given in the Annual Detailed Estimate for the Installation [see para 33 (*f*)]

In cases where a single Installation comprises two or more separate pumping, etc, sets, then two or more separate Job Ledgers, with a Summary Job Ledger may be maintained

The maintenance of these Job Ledgers is intended to facilitate the preparation of Monthly and Annual Returns [see para 33 (*c*)]

(2) C 4 Miscellaneous Machinery

C 5 Renewals

A single Job Ledger in each case

Main Head D—General Charges

A single Expense Ledger, with a Job Ledger, for each G E and for the C R E for such sub-heads as he may wish to operate himself

"Jobs" will be the sub-heads given in Appendix I Detailed Estimates or Requisitions in support of Jobs are not required

Main Head E—Establishment

A single Expense Ledger for —

The E-in-C.

Every C E

The Deputy C E, North West Frontier Province

Every C R E

Separate Job Ledgers (with a Summary Job Ledger) will be kept for Permanent and for Temporary Establishment

"Jobs" will be the detailed heads given in Appendix I which may be further sub-divided, if necessary, for the purpose of statistical information

Detailed Heads of general application such as Contingent Charges etc, will usually be recorded in the Summary Job Ledger

Detailed Estimates or requisitions in support of Jobs are not required

Main Head F—Tools and Plant

A single Expense Ledger per S D O

Separate Job Ledgers (with a Summary Job Ledger) for —

New Supplies

Repairs

Payments to other Departments

Main Head G—Suspense

(1) G 1 Stock

A single Expense Ledger for the C R E (see para 41)

No Job Ledgers required

(2) G 2 *Stores Purchases in India*

A single Expense Ledger for the C R E (see para 42)

The Stores Purchases Register (I A F W 2277 Serial No 85) is used as a Job Ledger and two such registers are maintained one for Stock and one for Works

Three lines in the register will be allowed for each Stores Order

On the first line the "credit" figure will be entered in red ink in the appropriate month column

On the second line the "debit" figure will be entered in black ink in the appropriate month column

The third line will be left blank as a space between Stores Orders

NOTES—*contd*

diary to the Expense Ledger of the Work or Budget sub head concerned will be maintained

No Job Ledgers are required in connection with such Expense Ledgers

2 Where reference is made above to Expense Ledgers being maintained per S D O" this expression will also cover the following —

(a) "per G E or C R E" when expenditure is directly operated by a G E or C R E

(b) 'per Barrack Master s charge" when expenditure is directly operated by a Barrack Master or an Assistant Barrack Master

3 One or more Job Ledgers are maintained in connection with every Expense Ledger except where stated to the contrary above or in cases where the whole of the expenditure booked in an Expense Ledger is incurred against a single Detailed Estimate

Where a single Job Ledger is specified above a C R E may order two or more separate Job Ledgers (with a Summary Job Ledger) to be maintained in order to further sub-divide the expenditure

4 If a Major Work is being executed by more than one S D O (*e g*, when an electrical installation forming part of a building work is carried out by the S D O E & M) then a separate Expense Ledger, with a Job Ledger, will be maintained for each S D O concerned

These Job Ledgers will only contain such Plinth Area Items as the S D Os concerned are operating, and a separate Job Ledger will also be maintained in which every item of the Plinth Area Estimate is recorded as laid down in para 20 (e)

5 Under the following Main and Sub Heads Deduct Sub or Detailed Heads are included in Appendix I —

B 1 B 4 B 5 C 1 C 2 D 1 F

Sums received under these 'Deduct Heads will be entered in the appropriate Expense Ledger and recorded (in Red Ink) on a single line in the Job Ledger (Summary Job Ledger if used)

6 Except where stated to the contrary above the general principle must be observed that every Job entered in a Job Ledger must be supported by a sanctioned Detailed Estimate or a sanctioned Requisition

Note—*contd*

not germane to the essential purpose of the Department, the recoveries should be taken in reduction of expenditure

6 Notwithstanding anything to the contrary that may be provided by or under these rules, receipts and recoveries on Capital account in so far as they represent recoveries of expenditure previously debited to a capital major head should be taken in reduction of expenditure under the major head concerned except where under the rules of allocation applicable to a particular department, such receipts have to be taken into revenue

7 In case of doubt or dispute, the authority to decide whether any particular recovery is classifiable as revenue or as deduction from expenditure under the above rules rests with the Auditor General

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Note —The following is a copy of Article 33-A of the Civil Account Code Vol I, referred to in the Auditor General's Rules above —

The Government of India and the local Governments of Governors provinces and the local Government of Coorg are considered to be separate Governments for the purpose of this Article and the transactions under the local Governments directly under the Government of India (*e g*, those of North West Frontier Province Delhi etc) and the Central transactions under the local Governments are considered to be transactions of the Government of India

INDEX

App denotes Appendix
Defs denotes definitions

A

(b) The financial power of administrative authorities to re appropriate funds are contained in the Regulations for the M E S

) An allotment or a re appropriation within the grants of the year, can be authorised at any time before but not after the expiry of the year An allotment is intended to cover all the charges (including the liabilities of past years) to be paid or adjusted during the year It is operative until the close of the financial year, i.e. 31st March, after which date any unspent balance lapses and is not available for utilization in the following year

(d) For payments chargeable to other districts or departments or for payments on account of non Government works and repayment of deposits the C R E does not require any specific provision of funds within the allotments for his own District It is sufficient to see that such payments are made only in accordance with the rules prescribed in this Code

(e) Subject to the condition that the allotment for a work or a group of work the expenditure on which is booked in a separate expense ledger is not exceeded by more than Rs 500 or 5 per cent , which ever is less no further allotment is necessary

(f) If owing to exceptional circumstances no intimation of provisional allotments has been received at the commencement of the year the following allotment may be assumed —

(i) An allotment up to Rs 25 000 for a major work in progress provided that the sanctioned estimate is not thereby exceeded
(ii) Such an amount as may be needed to complete either minor works or renewals in progress up to the estimated amounts
(iii) In the case of maintenance general charge establishment and tools and plant a monthly allotment equal to the average monthly allotment for the previous year

(g) As soon as the accounts of a work are closed or it is anticipated that a portion of an allotment will not be spent during the year, the unspent balance of the allotment or the anticipated saving should at once be surrendered if the amount is over Rs 500

If during the year it is anticipated that an allotment will be exceeded by over Rs 500 or 5 per cent whichever is the less an additional allotment should be applied for at once

5 **Financial Rules relating to Expenditure**

The accounting officer (C R E G E , or accounting S D O) is responsible for the expenditure of all funds placed at his disposal

As a general rule this expenditure is actually incurred by S D O in charge of Sub Divisions in some cases however it may be operated there thereby the C R E or G E (e g General Charge New Supplies of Furniture etc)

B

F

6 General Accounting Arrangements

(a) All expenditure, receipts, anticipated credits, and liabilities, will be booked by the U A (or Accounts Clerk) concerned under definite M E S Budget Heads (Appendix I) in Expense Ledgers (I A F W-2242, Serial No 59) or relevant schedules For the purposes of budget control the expenditure booked as above in Expense Ledgers will be extracted at the end of each month and recorded in Job Ledgers (I A F W-2249 Serial No 65) which will show the expenditure separately against each sanctioned Detailed Estimate or Requisition (see para 20)

(b) All allotments made to Major Works or to Budget Heads will be divided amongst specified accounting officers Responsibility for expenditure will rest with the accounting officer to whom the allotment has been made

(c) A single capital letter will be assigned to each C R E and G E, and a double capital letter to each S D O whether an accounting S D O or not This letter (or letters) will precede the voucher numbers and follow the correspondence numbers of the officer concerned It will also be used for the numbering of Expense Ledgers, Detailed Estimates, and Requisitions, and for "Budget Numbering", as described in Appendix II

(d) The following is the normal procedure in a G E's office for recording detailed estimates and requisitions, and for preparing and passing bills —

(i) The detailed estimate or requisition after technical sanction by the competent engineer authority, is passed by the G E to his U A

Before doing so the G E will verify that the correct Expense Ledger Number is entered on the Abstract of the detailed estimate (I A F W-1796 Serial No 7) or on the Requisition (I A F W-1833, Serial No 20), and he will sign an endorsement thereon —

"Allot Rs ————————"

(ii) The U A verifies (from the Job Ledger) that funds are available from the bulk allotment, enters up the Job Ledger, and signs an endorsement on the abstract of the detailed estimate or on the requisition —

"Entered in Job Ledger
Job Number————————"

He then passes the detailed estimate or requisition to the S D O who may now put the work in hand

In the case of a requisition passed by a S D O in the absence of the G E (under Regulations for the M E S), the U A will enter such a requisition in the Job Ledger and pass it to the S D O The S D O will be responsible for obtain-

Q

R

T

(f) The Technical Deviation Sheet is a purely executive document but it must be produced if required for the purposes of audit

(g) In addition to its uses for the purposes of Technical Scrutiny and audit the Technical Deviation Sheet serves the following purposes —

(i) It is a record for an incoming S D O of all deviations which have been sanctioned prior to his taking over

(ii) It forms a useful check on the final measurements on which the bill is based as the amount of the bill should be approximately the same as that of the detailed estimate modified by the entries in the deviation sheet

9 Expenditure in England

(a) Separate provision is made within the grant for 50 M E S, for Indian and English expenditure The provision for English expenditure is intended to cover the charges incurred outside India on the supply of stores and payments made to Government servants on leave All payments made in India, including the amount of loss or gain by exchange, customs duty, and freight charges from the port of landing are treated as Indian expenditure

(b) When an indent for Home stores is submitted to the Director General India Store Department funds to the extent of the estimated English expenditure are withdrawn by Army Headquarters from the allotment for the work concerned to Army Headquarters reserves

The rate of exchange adopted in the M E S budget estimates should be used in converting the estimated cost into sterling

(c) As soon as the invoice for the stores is received the sterling payments shown in the invoice are converted at the average rate of exchange for the month in which payment is made the date and month of the invoice being taken as the month of payment The amount thus calculated is the sum which will be debited to the final head concerned

Funds to the extent of the actual cost will ordinarily be re allotted to the work but in cases where the actual cost of the stores exceeds the amount surrendered the difference must be provided for locally

The difference between the amount converted at the average rate of exchange and that converted at the official rate of exchange is treated as a loss or gain by exchange adjustment on account of which is carried out by the Military Accountant General on an all India basis

13 Funds Demand

(a) Accounting officers will send to the U A concerned on the 15th of every month a Funds Demand (I A F W-2245, Serial No 62) indicating the probable payments and receipts during the following two months at the various stations in their charge, the U A will consolidate the demand by treasuries and forward it to the C M A on the 20th of the month to enable him to arrange for funds at the treasuries concerned

(b) Intimation of any supplementary demands should be sent to the C M A through the U A as soon as known

14 Imprests

(a) With the approval of the C R E and the concurrence of the C M A a G F may be allowed an Imprest up to a maximum of Rs 2 000 and an accounting S D O up to Rs 500, for payment of bills muster rolls etc which they are competent to pay (see para 17)

In exceptional cases Imprests may be increased temporarily under the orders of the C E with the concurrence of the C M A

A C R E may be allowed the same Imprest as a G L, but any increase beyond the maximum of Rs 2,000 requires the approval of the C E and the concurrence of the C M A

(b) Imprests should be as few and as small as possible In every case the C R E must satisfy himself that adequate arrangements have been made for safeguarding the cash

(c) Whenever the amount held falls considerably below the authorised limit, the Imprest holder may ask the C M A to recoup the Imprest up to the limit laid down or to issue a cheque for such smaller amount as he needs to meet probable payments The application must show the actual balance in hand

(d) The amounts advanced by the C M A on account of Imprest will be charged by him temporarily to the head P—Deposits and Advances '

15 Cash Book

(a) Every accounting officer will maintain a Cash Book (I A F W-2246 Serial No 63) wherein all transactions dealing with the receipt of cash or cheques and all payments or disbursements will be duly entered as soon as they take place

Treasury receipts received from individuals in connection with payments made direct into the treasury are recorded in the Cash Book by means of simultaneous entries (in column 6) on both the credit and debit sides

16 Cash Receipts.

(a) When payments are due to Government they will be made into treasuries on Receivable Orders (I A F A-507, Serial No 116) issued by accounting officers to the credit of the C M A concerned unless recoveries are effected through pay bills, etc

Officers of the M E S are not permitted to receive payments in cash, except as specified below

(b) A C R E or a G E is permitted to accept payments in cash on account of —

(i) Barrack Damages from private individuals [Para 31 (j)]

(ii) Cash Sales of stores [Para 59 (b)]

(iii) Earnest Money [Para 63 (d)]

(iv) Security Deposits [Para 65 (b)] not exceeding Rs 500

(v) Endowment Fees [Para 70 (a)]

(vi) Other miscellaneous amounts (e g , rents, electric energy or water charges, deposits for works, etc) not exceeding Rs 25 each

Where special circumstances exist the limit of Rs 25 referred to in (vi) above may be raised by the C E with the concurrence of the C M A This authority should state briefly the circumstances which necessitate the raising of the limit

The general principle to be followed in such cases is that cash receipts should be kept as low as possible without hindering work or causing undue inconvenience to individuals

In this connection see paras 14 (b) and 15 (g) in regard to safeguarding of cash and disposal of miscellaneous cash receipts

(c) Cash receipts will be recorded at once in the Cash Book (see para 15)

(d) As a general rule S D Os , Sub Overseers, etc , are not permitted to receive cash

In special cases where it is in the public interest that cash should be received by any individual other than the C R E or a G E the sanction of the C E and the concurrence of the C M A must be obtained This sanction will be given to an individual by name and must be renewed whenever the holder of the appointment is changed If possible, details of the amounts which may be received should be specified in the sanctioning order

(e) Whenever cash, or a treasury receipt, is accepted a Receipt (S 119, Serial No 121) must be given to the payer

(*b*)—contd

This authority may only be exercised provided that the payment is covered by rule and is not on account of salaries or travelling allowances unless such have already been passed in audit except as laid down in para 35 (*h*) and (*i*)

(*c*) In support of every payment a voucher is needed This voucher must be "allocated" as laid down in paras 6 (*d*) (*iv*) and 6 (*d*) (*v*) Before signature by the G E the allocation must always be initialled by the S D O in whose Expense Ledgers the entry will be made

(*d*) There must be a pay order on every voucher thus —

"pay by $\frac{\text{cash}}{\text{chequ}}$"

followed by the dated initials of the officer authorising the payment, and corrections must be initialled by him

(*e*) When an accounting officer pays a contractor's bill either in cash or by cheque received from the Audit Officer he will obtain the contractor's receipt either on I A F C M A-266, Serial No 120, or by a similarly worded receipt endorsed on the Bill Form itself The bill and receipt will be passed to the U A concerned [see para 6 (*d*) (*vi*)]

(*f*) All amounts paid must be stated in words as well as in figures, followed by the signature of the payee or by that of a witness to the payee's mark if the payee is illiterate An anna stamp must in all cases be affixed when the amount exceeds Rs 20 except in the case of payments made on a muster roll (See Financial Regulations for the Army in India)

(*g*) A G E may authorise a S D O to pay on his behalf and an accounting S D O is authorised to make payments Otherwise all payments will be made in the presence of an officer

At the time the payment is made, the paying officer will write on the voucher "paid by me" followed by his initials and the date

(*h*) *Bills forwarded to the Audit Officer for audit and issue of cheques* will be accompanied by a covering schedule (I A F W 2248, Serial No 64) which will be prepared in duplicate one copy being retained by the U A

When the U A receives the bill and contractor's receipt from the G E [see para 6 (*d*) (*ii*)] he will enter up column 6 of the schedule forward the contractor's receipt to the Audit Officer, and file the duplicate copy of the bill

He will also endorse on the duplicate copy of the bill —

"Bill paid

Schedule of Bills No ———, dated——————— Item No ———"

(*b*)—contd

This authority may only be exercised provided that the payment is covered by rule and is not on account of salaries or travelling allowances unless such have already been passed in audit except as laid down in para 35 (*h*) and (*i*).

(*c*) In support of every payment a voucher is needed. This voucher must be "allocated" as laid down in paras. 6 (*d*) (*iv*) and 6 (*d*) (*v*). Before signature by the G. E the allocation must always be initialled by the S D O in whose Expense Ledgers the entry will be made

(*d*) There must be a pay order on every voucher thus:—

"pay by $\frac{\text{cash}}{\text{cheque}}$"

followed by the dated initials of the officer authorising the payment, and corrections must be initialled by him

(*e*) When an accounting officer pays a contractor's bill either in cash or by cheque received from the Audit Officer he will obtain the contractor's receipt either on I. A F. C M. A-266, Serial No 120, or by a similarly worded receipt endorsed on the Bill Form itself. The bill and receipt will be passed to the U A. concerned [see para. 6 (*d*) (*ii*)].

(*f*) All amounts paid must be stated in words as well as in figures, followed by the signature of the payee or by that of a witness to the payee's mark if the payee is illiterate An anna stamp must in all cases be affixed when the amount exceeds Rs 20 except in the case of payments made on a muster roll (See Financial Regulations for the Army in India).

(*g*) A G E may authorise a S. D. O. to pay on his behalf and an accounting S D. O is authorised to make payments. Otherwise all payments will be made in the presence of an officer

At the time the payment is made, the paying officer will write on the voucher "paid by me" followed by his initials and the date.

(*h*) Bills forwarded to the Audit Officer for audit and issue of cheques will be accompanied by a covering schedule (I. A. F. W-2248, Serial No 64) which will be prepared in duplicate, one copy being returned by the U. A.

When the U. A receives the bill and contractor's receipt from the G. E. [see para 6 (*d*) (*ii*)] he will enter up column 6 of the schedule, forward the contractor's receipt to the Audit Officer, and file the duplicate copy of the bill.

He will also endorse on the duplicate copy of the bill:—

"Bill paid.

Schedule of Bills No ———, dated——— ———. Item No ———".

(*a*)—contd

arranged, in their files, in Budget order according to their "numbers" (see Appendix II), and consequently no Index will be necessary

Separate sets of Expense Ledgers will be kept for each Major Head

(*b*) Under each Major Head a single Expense Ledger will be maintained for every Major Work and, by Sub Divisions, for each Maintenance, etc, Sub head (see Appendix IV)

(*c*) On April 1st every accounting officer will open an Expense Ledger for each Major work or Budget Sub Head on which he is authorised to assume an allotment under para 4 (*f*)

As soon as an allotment is received under any other Sub head or Detailed Head the accounting officer will at once open an Expense Ledger

Towards the end of the financial year Expense Ledgers (and Job Ledgers) may be opened for Maintenance Sub heads on which Detailed Estimates or Requisitions will be issued for execution in March and for billing in the next financial year

(*d*) Whenever a liability is incurred over which the S D O has no direct control, he will be responsible for "allocating" the relevant document as a liability and for passing it to the U A or Accounts Clerk concerned For example when —

(*i*) A "Stores Order" is received from the D S O for stores ordered from sources *outside the District*

(*ii*) A Supply Order is received on account of transport indented for from the Indian Army Service Corps

(*iii*) A Work Order is accepted and returned to the Workshop Superintendent (or S D O in charge of a Manufacturing Operation) for execution

Liability entries will not be made in the case of stores obtained locally or from stock, contractors' bills, muster rolls, etc, where the transaction is purely local and under the direct control of the S D O

The accounting officer is responsible for clearing the liability columns of his Expense Ledgers

When an entry is made in the expenditure column which completely or partially cancels a previously entered liability, then an entry will also be made in the "cancelled liabilities" column

The S D O or accounting officer concerned is responsible for showing "cancelled liabilities" entries in his allocation

The entry in the "cancelled liabilities" column will be exactly the same as the original liability or it will be a round figure repre-

(f) (iii) when a work is carried out by one department for another, on other than a *standing* arrangement

(g) Credits anticipated on account of disposal of surplus materials, establishment and tools and plant charges for work done by the M E S for other Departments, etc [see para 35 (c)], will be shown in round figures in column 9 " expected credits " As credits are realised the " expected credit " will be cancelled in the same way as a liability is cancelled

(h) Any payment to a contractor on a hand receipt or running contract bill any issue of stores etc which has eventually to be deducted from the contractor s bills, forms a " charge against " the contractor

The S D O or accounting officer is responsible for including in his " allocation " on any voucher the amounts which should be entered in columns 12 and 13 of the Expense Ledger

Both the S D O or accounting officer and the U A or Accounts Clerk should watch these columns carefully so as to ensure that recoveries are effected as early as possible

(i) The totals given in columns 7 10 and 11, will all be " climbing " totals, so that the last figure will represent the exact financial position at the date of each entry

At the end of each month a double red ink line will be drawn right across the page and between these lines the figures for the month will be entered in red ink in columns 7, 10 and 11

In the event of an error being made which would necessitate the alteration of subsequent totals the accounting officer will effect the necessary adjustment by making a new " Expenditure Entry "

When doing so he will enter in the Remarks column opposite the original entry which is being corrected —

" Amended by item "

and in the Remarks column opposite the new entry —

" Amendment of item "

Adjustment entries of this nature must be initialled by the accounting officer and by the S D O concerned

20 Job Ledger

(a) A Job Ledger (I A F W-2249, Serial No 65) is maintained in connection with an Expense Ledger and bears the same number as the Expense Ledger It is maintained by the same Accounts Clerk who keeps the Expense Ledger to which it relates

The figures recorded in the month columns of the Job Ledger are extracted from columns 5 and 6 of the Expense Ledger at the end of every month and are entered against the appropriate " Jobs " in the Job Ledger

(c)—contd

In this Summary Job Ledger the monthly totals of the other Job Ledgers will be entered each on a separate line The addition of each month column of the Summary Job Ledger must be exactly the same as the total in column 7 of the Expense Ledger against the last expenditure entry of the corresponding month [see sub para (h) below]

(d) As soon as an Expense Ledger is opened a Job Ledger will also be opened except in cases where the whole of the allotment to that Expense Ledger will be expended on a single detailed estimate

(e) For Major Works the Register of Expenditure Form (I A F W 2250 Serial No 66) will be used as a Job Ledger All the Items of the Plinth Area Estimate will be entered, each Item being on a separate line

The expenditure to the end of the previous year will be entered in column 3 against each Item In the case of any Item which was completed during previous years a horizontal red ink line will be drawn through the month columns opposite to this entry

Column 6 Allotment will be filled in as each detailed estimate or requisition is sanctioned and funds allotted by the accounting officer

This document in addition to its use as a Job Ledger will provide a complete summary of the financial position on any work from its inception

(f) In the case of Job Ledgers for works other than Major Works each detailed estimate or requisition will be entered in the Job Ledger as soon as it is sanctioned and funds allotted

(g) The U A or Accounts Clerk concerned is responsible for entering detailed estimates or requisitions in the Job Ledgers and for recording the Job numbers on them before they are passed to the S D O concerned for execution

(h) Entries in the month columns of the Job Ledger will be "climbing totals that is to say any entry in a month column will represent the total expenditure on that Job since the beginning of the year and not only the expendit
The month column will then be adde
figures for M A S Accounts—see
exactly the same as the total in column 7 of the Expense Ledger of the Work opposite the last expenditure entry of the same month

As soon as a Job is completed and finally billed the total expenditure for the year on that Job will be entered in each of the remaining month columns and a red ink line will be drawn through the figure entered in the column headed "Amount of Allotment (column 5 in Job Ledger Form column 6 in Register of Expenditure Form)

(i) Where a M A S Account is kept in connection with a work (or budget sub head) the expenditure recorded in the M A S Expense

(*a*)—contd

offices of all accounting officers It is also maintained in the offices of C Es It is compiled from the Expense Ledgers and Job Ledgers in the accounting officer s office and from the Monthly Expenditure Returns received from lower formations

Liabilities are not entered in this Register

(*b*) The Register of Expenditure will always be entered up in ink except as regards column 6 ' Allotment " When the figures in this column are liable to change frequently during the course of the year entries may be made in pencil but they must be inked in at the end of the financial year

Entries in the month columns will always be " climbing " totals that is to say, any entry in a month column will represent the total expenditure on that Item since the beginning of the year and not only the expenditure for that particular month

(*c*) Separate Registers will be compiled for each Major Head

(*d*) Each Major Work will be shown on a separate line

Each Minor Works, Maintenance, etc , Sub head will be recorded separately

In a G E 's Register of Expenditure a separate line will be given, under each sub head, for each S D O or accounting officer (including the G E himself) These entries will be made in red ink and the Sub head total for the Division will be entered below in black ink The Register of a C E or a C R E will be compiled in a similar manner a separate red ink line under each sub head being given to each lower formation that submits a Monthly Expenditure Return (I A F W 2251, Serial No 67)

At the foot of each Main Head the totals for the Main Head will be recorded on a separate line

Finally a Summary will be entered showing the total expenditure under each Main Head and the grand total under all Main Heads

NOTE — Deduct items—See *Appendix IV—Note 5*—will be entered (in Black Ink as a *minus* entry) on a separate line in the Register of Expenditure

(*e*) The totals shown in this Register will be carried into the Classified Abstract of receipts and expenditure (see para 70)

(*f*) The expenditure recorded in a M A S Account expense ledger will be entered on a separate line immediately below the entry of the work (or budget sub head) against which the materials have been collected

The figures entered in the month columns will be the difference (*plus* or *minus*) between the " Opening Balance " (if any) and the balance at the end of each month of the M A S Expense Ledger [see para 60 (*c*)]

24 **Simplification of Rates**

(a) At the discretion of the C R E all issue rates for stores held on stock or on M A S of works and manufacturing operations, also rates in the Schedules of Rates for work, will be rounded off to the nearest anna, that is, fractions of less than 6 pies will be omitted and of 6 pies or over calculated as one anna

(b) In order to avoid entering pies in Expense Ledgers and Job Ledgers the amounts entered in the "allocation" on vouchers will be rounded off to the nearest anna in the same way as above In the case of contractors bills the amounts entered in the "allocation" (and paid to the contractors) will similarly be rounded off to the nearest rupee, that is fractions of less than 8 annas will be omitted and of 8 annas or over calculated as one rupee

25 **Transfer Entries**

(a) Transfer entries are intended to transfer an item of receipt or expenditure from the accounts of a work in progress, or from one Budget Head, to the accounts of another work or Budget Head They are necessary —

(i) In order to correct an error in allocation

(ii) In order to distribute the expenditure on a work over all the accounts affected in cases where a joint work, in which two or more parties are interested is taken to the accounts of one party in the first instance

(iii) In order to effect adjustments between Budget Heads or Suspense Heads not affecting the Budget within the M E S District

(iv) For payments to or receipts from other departments etc, relating to transactions not appearing in imprest accounts

(b) For every transfer entry there must be an authority on the Transfer Voucher Form (I A F W 2253 Serial No 69) or an order recorded on another document (e g, loss statement, final bill of a contractor where the amount has to be credited or debited to a suspense head, that is "Deposits" or "M E S Advances", etc), which sets forth all necessary particulars

There is no objection to including in one transfer voucher a number of adjustments provided that all the necessary particulars are set forth

(c) A transfer voucher will ordinarily be used for —

(i) all adjustments between Budget Heads within the District or between two M E S Districts

(h)—contd

and all three copies will be allocated (see Appendix III) by the officer preparing the transfer voucher (hereinafter called the consignor)

The *Triplicate Copy* will be retained by the consignor as his office copy in support of the entries in his expense ledgers or stock registers, etc In the case of adjustments between M E S accounting officers this copy may be destroyed when the original copy is received duly accepted (see below)

The Original and Duplicate Copies are sent by the consignor to the party concerned (hereinafter called the consignee)

The *Duplicate Copy* will be allocated and retained by the consignee in support of the entries which he will make in his Expense Ledgers or Stock Register, etc

The *Original Copy* will be allocated, signed, and sent by the consignee to the consignor who will file it in replacement of the Triplicate Copy (see above)

The Original and Duplicate Copies will thus bear the allocation of both the consignor and the consignee

In all cases the consignee must accept the full amount of the debit

Any damage, deficiencies, etc , will be brought to the notice of the C R E accompanied by a loss statement where necessary, the matter can then be taken up with the consignor by the C R E

The damage, deficiencies, etc , must also be noted on the Original Copy before it is returned to the consignor

26 Muster Roll

(a) The S D O , or other subordinate where authorised by the C R E , will enter the casual personnel paid at daily rates on a Muster Roll (I A F W 2255, Serial No 71), if necessary using separate muster rolls for different works When a muster roll is used for several works, the work upon which each man is employed will be designated by a capital letter, so as to facilitate allocation

(b) Muster Rolls will be closed weekly, every 10 days, or monthly, as may be ordered by the C R E , and submitted to the G E except as provided in para 17 (b) (in the case of an accounting S D O)

After check by the U A [see para 17 (b)] the G E will either pay from imprest or will write or telegraph to the Audit Offices thus —

" Muster Roll No ——— passed for Rs ———
Issue cheque to——————(here enter payee—S D O or self) "

After the Muster Roll has been paid and allocated by the accounting officer concerned it will be passed, together with a certified copy thereof, to the U A (or Accounts Clerk) for entry in the Expense Ledgers, etc , and disposal [see para 15 (i)]

(c) If the pay is claimed of any casual personnel paid at monthly rates for whose appointment sanction has not been accorded, the amounts may be passed provisionally on the authority of the G E stating that the sanction of competent financial authority has been applied for and that the sanctioned detailed estimate provides for the pay of the appointment

28 **Unpaid Wages**

(a) If any wages remain unpaid from a muster roll or a casual personnel bill they may be credited to Imprest [see para 15 (f)] The details will be entered in the Register of Unpaid Wages (I A F W 2259 Serial No 75) This Register is kept in the possession of the accounting officer and no copy is given to the U A

(b) When payment is made the voucher on which it is made will be recorded against the entry in the register

(c) Payments of unpaid wages will be made either on a muster roll or on Hand Receipt (I A F W 2260, Serial No 76)

(d) If when payment is made, the accounts of the work have been closed the expenditure will be charged off to a fresh estimate under the budget head affected

29 **Main Head A —Works—Major Works**

(a) Expense Ledgers and Job Ledgers for Major Works will be maintained as laid down in Appendix IV

(b) A Renewal [other than an F & M Renewal—See para 33 (g)] costing more than Rs 20 000 will be treated as a Major Work under the appropriate Detailed Head of Main Head A—Works

(c) It is important that the accounts of a work should be closed as soon as possible after the work is completed In order to effect this the following steps will be taken —

(i) All entries in the "Liabilities or Expected Credits" columns of the expense ledger must be cleared [see para 19 (d)]

(ii) Any adjustments necessitated under the rules contained in paras 31 (e) and 59 (a) will be made

(iii) The accounts of any Minor Manufactures or M A S which are being maintained in connection with the work will be cleared in accordance with the rules laid down in paras 44 (f) and 50 (d) respectively

(c) The Completion Report of Minor Works (I A F W 2268, Serial No 82) will be submitted monthly by each accounting officer (through the U A or Accounts Clerk concerned for verification) to the C R E for record The Completion Report of an accounting S D O will be forwarded to the C R E through the G E

31 **Main Head B —Maintenance—Buildings, Communications, etc**

(a) A single Expense Ledger per Sub Division will be kept for each Sub head

Job Ledgers will be maintained as laid down in Appendix IV

(b) Sub head B 1—Maintenance—Buildings

The expenditure on this sub head is divided up (see Appendix IV) into —

(i) Petty Repairs

(ii) Periodical Repairs

(iii) Renewals

(iv) Repairs to internal electrical installations

(v) Renewals to internal electrical installations

(c) Under Petty Repairs the work will always be carried out on a requisition irrespective of the amount Detailed Estimates are not required

(d) Under Periodical Repairs a Detailed Estimate or Requisition will be required but a reference to the Standard Measurement Book will avoid the necessity for recording detailed measurements

(e) A Renewal may be briefly defined as the replacement of the whole of a definite portion of a building or other structure For example, if a single door or window in a building is replaced it would usually be considered as a Petty Repair but if all the doors or windows are replaced it becomes a Renewal In the same way the replacement of a portion of a roof is a petty repair but if the whole of the main or the verandah roof of a building is replaced it becomes a renewal

Any replacement will be treated as a renewal when it involves the substitution of a superior for an inferior class of work (*e g* , the replacement of a lime concrete floor by one of cement concrete), and thereby affects the capital cost of the structure In the case of such renewals, on completion of the work, the amount of the

32. Furniture.

(a) Expenditure on new supplies of furniture will be accounted for, irrespective of the cost involved, under Sub head A 6—Furniture When, however, the estimate for a Major Work includes provision on account of furniture, or when the provision of furniture is approved before the closing of the accounts of the work to which the supply pertains the expenditure will be accounted for under the budget detailed head concerned instead of under Sub head A 6

Such expenditure will usually be controlled by the D S O, on behalf of the C R E for the whole District but allotments may be given to G Es at the discretion of the C R E

A single Expense Ledger (with Job Ledger if more than one detailed estimate or requisition is sanctioned against the allotment) will be kept by the accounting officer who operates the expenditure Detailed Estimates or Requisitions will be prepared as required on I A F W 2222 Serial No 41

(b) Expenditure on Maintenance—Furniture under Sub head B 4, will be accounted for in Expense Ledgers and Job Ledgers as laid down in Appendix IV

For repairs a Job Ledger is not usually required, a single estimate working up to the allotment will be prepared on I A F W-1796, Serial No 7 This estimate will give the details of labour and material that it is anticipated will be required

For renewals detailed estimates or requisitions will be prepared as required on I A F W 2222 Serial No 41

A renewal in the case of Furniture is the manufacture or purchase of a new article in replacement of a similar article held on charge which has been surveyed off or otherwise disposed of, and struck off charge

(c) Expnediture on Ecclesiastical Furniture will be compiled against Major Head 41—Civil Works Central

Expenditure on Royal Air Force technical and office furniture will be compiled against Major Head 48—Army R A F

For each of the above cases separate sets of Expense Ledgers and Job Ledgers are required

(d) The Barrack Master (or Assistant Barrack Master) will maintain the following ledgers and accounts in connection with the supply and maintenance of Barrack and Hospital Furniture —

(i) Register of Authorised Furniture (I A F W-1811, Serial No 12), wherein, on a separate page for each article, will be detailed the quantities authorised by regulations for each unit (including departments, etc) in his charge Units, etc , will be referred to in this register as, say, "Battalion, B I" and not as "1st Battalion, R F"

(*f*) (*i*)—contd

Barrack Master with an entry to the effect that the articles of furniture have been brought on, or struck off, the relevant registers

Before transmission to the C R E the Monthly Furniture Return will be checked [see para 78 (*d*)] by the U A (C R E 's or G E 's) who is maintaining the Expense Ledgers for the purchase of new supplies of furniture [see sub para (*a*) above]

(*ii*) Annual Furniture Return (I A F W 2219, Serial No 38), which will be compiled from the Register of Authorised Furniture and the Furniture Register and submitted on May 31st

(*iii*) Annual Furniture Distribution Return (I A F W-1814, Serial No 13) This Form will be maintained in the office of the Barrack Master and will be kept up to date at all times

Figures will be entered in pencil and altered as the distribution changes

The Annual Furniture Distribution Return will be copied from the above in ink on the same form, checked with the Furniture Distribution Ledgers, and submitted to the C R E. by May 31st

(*g*) The following ledgers, registers, etc , will be maintained by the D S O on behalf of the C R E —

(*i*) District Register of Authorised Furniture (I A F W-1811, Serial No 12) Changes, as they occur, will be notified to the Barrack Masters concerned for amendment of their Registers

(*ii*) District Furniture Ledger (I A F W 2220, Serial No 39) This will be compiled from the Monthly Furniture Returns after they have been checked by the D S O with the vouchers

(*h*) From the annual furniture return (I A F W-2219, Serial No 38), after the values recorded therein have been checked by the D S O , the furniture schedule of demands will be prepared in accordance with the instructions laid down in the Regulations for the M E S

(*i*) Normally a Barrack Master does not require an Imprest, but he may, under special circumstances, be authorised by the C R E to hold an Imprest not exceeding Rs 500

(*j*) No voucher is needed when a unit exchanges furniture Whenever additional furniture is issued to a unit or taken over from a unit without replacement, a receipt must be taken or given

(*k*) When furniture is transferred from one M E S District to another or between Barrack Masters' charges within the same District the transfer will be without value

(*e*) M A S Account (see para 50)

Where several installations are supplied with stores from a central source a single M A S account need only be kept for the largest installation whence stores will be issued to the other installations If so ordered by the C R F this M A S account may also hold stores required for sub head C 4—Miscellaneous Machinery, and sub head C 5—Renewals

The balance of the M A S account at the commencement and end of any year should be made as nearly as possible the same so that it will not appreciably affect the annual expenditure

(*f*) For all sub heads of Main Head C administrative approval may be assumed up to the amount of any allotment made, in accordance with para 5 (*a*)

Technical sanction is accorded as under —

For Sub heads C 1 C 2 and C 3 a single estimate will be prepared and sanctioned annually one month before the close of the financial year on —

I A F W 1758 (Serial No 6) for Electrical Installations

I A F W 1806 (Serial No 10) for Water Supply Installations

I A F W 2214 (Serial No 35) for Ice Installations

For Sub heads C 4 and C 5 technical sanction is given to a separate detailed estimate or requisition prepared for each work as required

(*g*) Sub head C 5—Renewals

The term renewals in connection with installations covers all replacements of machinery irrespective of value

It includes the value only of spare parts where such spare parts are proprietary articles which have to be purchased from the makers but it does not include the cost of labour for fixing such spare parts which will be charged to sub head C 1 C 2 C 3 or C 4

Articles manufactured locally or spare parts such as nuts split pins packing etc which are not proprietary articles, will be charged to sub head C 1 C 2, C 3 or C 4

Spare parts chargeable to Renewals as above may be held on the M A S account of an installation [see sub para (*e*) above], but, when used for a renewal their value will be debited by transfer voucher to sub head C 5

Renewals which affect capital values will be dealt with as laid down for similar renewals to buildings [see para 31 (*e*)]

Special powers of the M E S authorities for sanctioning detailed estimates for Renewals are laid down in Regulations for the M E S

(*h*) In the case of installations whose capital cost was shared jointly by the M E S and by other bodies or departments and

(e)—contd

All charges will be supported by bills

A copy of the schedule will be retained by the Barrack Master concerned who is responsible that duplicate bills are not entertained

The U A (G E 's or C R E 's) will check the bills and arrange for the necessary payments to be made direct by the C M A

(f) Payments which have been made from imprest will not be entered in the schedule In no case will compensation for quarters be paid from imprest

Payments in connection with the care of vacant buildings will be made from imprest

35 **Main Head E —Establishment**

(a) The C R E s U A will maintain a single Expense Ledger, with Job Ledgers (see Appendix IV) for the Establishment Charges of the whole District

(b) At the end of every month each accounting officer, as soon as his Cash Book is closed, will prepare a transfer voucher (see para 25) for all items relating to Main Head E—Establishment which are entered in his Cash Book In case of payments to establishments it will suffice to enter in column 7 of the Cash Book " M E S transfers within the District

These transfer vouchers accompanied by the original receipted vouchers (Salary Bills Travelling Claims, etc) and by an extract from the Contingent Bill Register [see para 36 (b)], will be passed to the C R E for acceptance and entry in his Expense Ledger The transfer vouchers of an accounting S D O will be forwarded to the C R E through the G E

The vouchers will be completed as regards " allocation " (see Appendix III) by the C R E before they are passed to the U A

(c) Departmental Charges (see Regulations for the M E S) recovered on account of work done etc , by the M E S for other departments of the Central Government are treated as reduction of expenditure under the Main Heads " Establishment " and " Tools and Plant ", the portion representing audit charges being credited to 48—Army

Work done, etc , by the M E S on behalf of the Local Governments (see Appendix V—Note) is generally of the nature of work done as a standing arrangement, in that such work is regularly undertaken every year departmental charges recovered before the close of the year on such work will be treated as reduction of expenditure under the same heads as prescribed above for similar recoveries from other departments of the Central Government

In all other cases such recoveries are credited as Revenue, the portion representing audit charges being brought to account under Head XXXVI—Army

(f)—contd

After approval and countersignature by the controlling authority (C R E or G E) these claims will be passed to the C M A for audit and payment direct to the officer concerned The C M A will include in the monthly abstract [see sub para (d) above] the amounts paid on account of travelling claims

(g) Travelling claims of all establishments other than officers will be prepared by the head of the office concerned in duplicate on —

I A F T 1715, Serial No 122 (Permanent Duty)
I A F T 1716 Serial No 123 (Temporary Duty)

The original after signature by the C R E or G E, will be passed to the C M A The C M A will send a cheque, together with a memorandum showing any changes made by him direct to the C R E or G E concerned The latter will pay the claims and obtain the receipts of the payees on the duplicate copy

(h) A C R E or a G E may sanction an advance of travelling allowance up to the probable amount of the travelling allowance bill for himself or for any individual under his orders The amount may be paid from imprest or a cheque demanded direct from the C M A Recovery of the advance must be effected at once on completion of the journey by means of a travelling claim

(i) The powers of a C R E to sanction advances of pay are laid down in the Pay and Allowance Regulations

Whenever possible such payments should be pre audited by the C M A but in urgent cases payment may be made from imprest or a cheque may be obtained from the C M A, full reasons being given

In the case of payments made from imprest without pre audit an intimation will be sent to the C M A at the time that the payment is made

(j) All appointments promotions postings leave, etc, of M E S officers and establishments are to be communicated promptly to the C M A concerned

(k) Cashiers whether holding permanent or temporary appointments must furnish security the amount being fixed by the C R E who will also determine whether it is to be paid in lump sum or by deduction in instalments from salary (see para 83)

(l) Storekeepers Sub-overseers Superintendents of Installations or Workshops and civilian temporary S D Os, who are entrusted with the custody of cash or stores may be required to furnish security at the option of the C R E who will also determine whether the amount of the security is to be paid in a lump sum or by deduction in instalments from salary (see para 83)

(f)—contd

After approval and countersignature by the controlling authority (C R E or G E) these claims will be passed to the C M A for audit and payment direct to the officer concerned The C M A. will include in the monthly abstract [see sub para (d) above] the amounts paid on account of travelling claims

(g) Travelling claims of all establishments other than officers will be prepared by the head of the office concerned in duplicate on —

I A F T 1715, Serial No 122 (Permanent Duty)
I A F T-1716 Serial No 123 (Temporary Duty)

The original after signature by the C R E or G E, will be passed to the C M A The C M A will send a cheque, together with a memorandum showing any changes made by him, direct to the C R E or G E concerned The latter will pay the claims and obtain the receipts of the payees on the duplicate copy

(h) A C R E or a G E, may sanction an advance of travelling allowance up to the probable amount of the travelling allowance bill for himself or for any individual under his orders The amount may be paid from imprest or a cheque demanded direct from the C M A Recovery of the advance must be effected at once on completion of the journey by means of a travelling claim

(i) The powers of a C R E to sanction advances of pay are laid down in the Pay and Allowance Regulations

Whenever possible such payments should be pre audited by the C M A, but in urgent cases payment may be made from imprest or a cheque may be obtained from the C M A, full reasons being given

In the case of payments made from imprest without pre audit an intimation will be sent to the C M A at the time that the payment is made

(j) All appointments, promotions postings, leave, etc, of M E S officers and establishments are to be communicated promptly to the C M A concerned

(k) Cashiers whether holding permanent or temporary appointments must furnish security, the amount being fixed by the C R E who will also determine whether it is to be paid in lump sum or by deduction in instalments from salary (see para 83)

(l) Storekeepers Sub overseers, Superintendents of Installations or Workshops, and civilian temporary S D Os, who are entrusted with the custody of cash or stores may be required to furnish security at the option of the C R E who will also determine whether the amount of the security is to be paid in a lump sum or by deduction in instalments from salary (see para 83)

(a) (*ii*) Payments on account of law charges other than those arising on account of disputes connected either with contracts for works, M E S , or the leasing of houses

(*iii*) Charges on account of advertisements other than those for works

(*viii*) Charges for local printing at private presses and binding charges, where authorized

(*ix*) Pay of sweepers employed for offices

(*x*) Perishable articles of office use for inspection bungalows

(*xi*) Cost of books and periodicals

(*xii*) Chemicals for ferro prints

(*xiii*) Language rewards and honoraria

(*xiv*) Other miscellaneous charges not included in the above, but which are ordered to be classed as contingent charges

(b) The C R E will distribute the contingent grant placed at his [illegible], at his discretion Such contin [illegible] imprest of the accounting officer [illegible] A (or Accounts Clerk) concerned will (from the accounting officer s Cash Book) compile the Contingent Bill Register (I A F W 2272 Serial No 84) This register will be signed by the accounting officer and an extract therefrom, showing only *the monthly totals under the various columns of the* register, will accompany the transfer voucher which is sent to the C R E [see para 35 (*b*)]

(c) The total charges on account of contingencies will be posted from the Contingent Bill Register of the C R E and from the extracts of the Contingent Bill Registers referred to above into the Expense Ledger and Job Ledgers maintained by the C R E 's U A for Main Head E—Establishment

From the Job Ledgers the totals will be carried into the Classified Abstract of Receipts and Expenditure (see para 79)

(d) Imprests for the purpose of meeting contingent charges will be given by the Cs M A concerned to C Es and to the Deputy C E , North West Frontier Province

Such imprests will be recouped as laid down in para 14

At the end of each month the Cash Book containing these imprests will be closed and forwarded with vouchers through the U A concerned to the C M A Before passing the Cash Book to the C M A the U A will make an abstract of the contingent charges and compile them in a separate Contingent Bill Register

(*a*)—contd

Running repairs and expenses connected with the use of tools and plant (*e g*, pay of drivers, petrol oil, etc) will be charged to the estimate concerned and not to Main Head F

In the case of Government motor cars and motor cycles the running expenses will be charged to the detailed head "Travelling Allowances" of the Main Head E—Establishment

In all cases ordinary maintenance is chargeable against Main Head F

(*b*) An annual grant is given to cover expenditure on both new supplies and repairs of tools and plant

As in the case of Furniture [see para 32 (*a*)] the purchase of new supplies of tools and plant will usually be operated by the D S O and allotments given to G Es for repairs only, but allotments for new supplies may be given to G Es at the discretion of the C R E

Estimates for new supplies of Tools and Plant will be prepared on I A F W 2222 Serial No 41

From his allotment for repairs the G E may, at his own discretion, further sub allot to S D Os

Expense Ledgers, with Job Ledgers will be maintained as laid down in Appendix IV

Sales of Tools and Plant are credited to Revenue except as otherwise provided for in Appendix V, Rule 5, and sub para (*k*) below When the amount is not recovered in the month in which the articles are sold the credit will be given to Revenue (or the Main Head concerned) by a corresponding debit to the Head "M E S — Advances"

(*c*) The Barrack Master (or Assistant Barrack Master), on behalf of the G E will maintain the following ledgers for the whole of the tools and plant of the Division —

(*i*) Tools and Plant Register (I A F W-2279, Serial No 89), wherein on a separate page for each article will be entered —

Receipts and issues from and to other Divisions or Districts

New articles manufactured or purchased

Articles struck off on survey reports or loss statements, on I A F A-498, Serial No 115

A similar ledger will be maintained by the D S O for articles of tools and plant issued to the C R E's office

(*ii*) A Tools and Plant Distribution Ledger (I A F W-1814, Serial No 13), will be maintained for each S D O to whom tools and plant are issued, for the office of the G E, and for any articles held in the Barrack Master's store and not issued to subdivisions, etc

(i)—contd

When new articles of tools and plant are purchased or manufactured, the D S O will inform the Barrack Masters concerned of the correct nomenclature and value of each article

(j) S D Os (including accounting S D Os) are only required to maintain a numerical list (Distribution Ledger) of tools and plant on their charge [see sub para (c) (ii) above] They will be responsible that tools and plant are suitably stored and kept in good condition, and that articles, as soon as they become unserviceable, are either repaired or returned to the Barrack Master for exchange or disposal

Permanent issues and receipts will be supported by temporary vouchers [see sub para (c) (ii) above] and will be entered in the Distribution Ledger immediately they occur

Temporary issues for work will be made on a receipt signed by the person to whom the tools, etc, are issued Such receipts will be kept on a file in the Tools and Plant Store and will be handed back to the individual concerned when the tools etc, are returned No entries regarding such temporary issues will be made in the Distribution Ledger

(k) If, for any particular work the tools and plant required cannot be supplied from the District stock of tools and plant, the cost of purchase will be charged to the estimate of the work concerned which will be credited with the proceeds realized from the disposal of tools and plant when no longer required The estimate will show separately the gross cost and the anticipated credit

A numerical account in manuscript will invariably be maintained of all articles of tools and plant directly charged to works

Tools plant, and machinery, specially required for installations or workshops will not be charged to Main Head F—Tools and Plant, but they will be charged off to the installation or workshop concerned as under —

(i) In the case of machinery, plant and large tools as a work, the value being borne on the capital registers

(ii) Small expendable tools such as files, chisels, etc, to Sub-head C 1, C 2 C 3 or C 4 in the case of installations and to a ' Standing Annual Shop Work Order " [see para 45 (d) (ii)] in the case of Workshops The cost of these tools will not be borne on the capital registers, but a numerical account will be kept and they will be surveyed when no longer fit for use and written off under the orders of the competent authority

(l) When Tools and Plant, the cost of which was charged to a work or project, are transferred to another work or another M E S District for use on a work already approved by competent administrative authority, the value thereof will be adjusted by credit to the

(h) (iv) Sub head G 6—M E S Advances—Transactions under this Sub head (see para 46) are all under the direct control of the M E S accounting officers and should be few in number, towards the end of the year this sub head must be carefully watched and steps taken to ensure as far as possible that all items are cleared and that the account closes with a "*nil*" balance

The C R E should particularly watch that accounting officers have taken adequate steps for the clearance of all outstanding before the end of the year

If this sub head is not fully cleared at the end of the year the Ruling Balance must be adjusted in accordance with sub para (*g*) above

(i) The C R E s U A will maintain for the information of the C P E the Suspense Summary (I A F W 2273 Serial No 85)

39 Sub head G 1—Stock General Rules

(*a*) To ensure the rapid execution of ordinary work *i e* minor works and maintenance it is necessary for the M E S to maintain a stock of stores in current use Such stocks should be kept as small as is possible without hindering the execution of work

A stock of stores for use on mobilization is also maintained by the M E S

(*b*) Stores required for major works are obtained as required and are, if possible charged direct to the work concerned

In the case of large works it will usually be necessary to open a M A S Account [see para 50 (*a*)], either because immediate allocation to sub works is not possible or in order to secure adequate control Stores purchased for Maintenance and Operation of an Installation are held on a M A S Account and, in special circum stances a M A S Account may also be opened in connection with other maintenance sub heads [see para 50 (*b*)]

(*c*) Stock should ordinarily consist of stores required for the execution of minor works and maintenance and should comprise not more than a 3 months supply of stores obtainable in India and not more than a 9 months supply of stores that have to be obtained from England For every item stocked a maximum and minimum quantity will be fixed by the C R E whenever the minimum is reached the store keeper will ask the D S O to replenish his stock [see para 42 (*d*)]

The maximum quantities should be fixed so that the Stock Limit [see sub para (*e*) below] exceeds by a reasonable margin the value of the Stock supposing that every item is made up to its maximum

(*g*)—contd

see para 68 (*b*) and (*c*)] and issues to other districts and departments at such rates as may be fixed by the C R E

(*h*) After the six monthly revaluation [see sub para (*g*) above] a "Priced Stock List" (I A F W-2166, Serial No 26) will be issued by the C R E to every accounting officer and storekeeper specifying the index number description, unit, quantity, and issue rate, for each article The Stock List will be checked by the C R E's U A *before issue*

(*i*) When surplus materials are transferred from a work to stock the cost of carriage caused by this transfer will be borne by the work concerned

(*j*) If articles are borne on stock which are not likely to be used within the next 12 months, they will be entered on a "Surplus Stock List" (I A F W-2166, Serial No 26) of which a copy will be forwarded to the C E half yearly, in May and November

The C E will issue a consolidated list to all districts with a view to such stores being used for works to the fullest extent possible. The C E will use his discretion as regards sending the lists to other commands and departments

Surplus stores which cannot be disposed of by transfer or utilised should be sold under orders of competent authority or through the Central Disposals Organization (see para 59) Surplus stock transferred to other districts will be issued at the issue rate of the receiving district the issuing district paying freight and writing off any loss involved under orders of competent authority Freight charges thus incurred will be debited to stock and taken into consideration when according sanction to the loss

(*k*) The D S O will be in charge of the whole of the stock held in the district and of the purchase of all stores obtained from outside the district either for stock or for works He will also be responsible for scrutinizing all contracts made for the supply of stores within the district

All accounts relating to stock (see para 41) will be centralised in the office of the C R E

Each store containing stock will be in charge of one or more storekeepers working directly under the D S O These storekeepers will keep *numerical accounts only of the stores in their charge* (see para 40)

Where stock is held at an out station the G E or accounting S D O will act as the representative of the D S O in such matters as may be delegated to him by the C R E, *e g*, disciplinary control of the storekeeper, preparation and submission of transfer vouchers for stores received [see para 42 (*l*) and (*n*)] etc

The storekeeper will however always correspond direct with the D S O with regard to such matters as submission of Indents for stores issued Monthly Stock Return etc

(c) (iii) The S D O will initial all corrections in the original and duplicate copies of the indent and will sign the receipt at the foot and return both copies to the storekeeper He will at the same time amend the triplicate copy of the indent and file it as his office copy

(iv) The storekeeper will enter up his Stock Register and Tally Cards from the indent and will endorse on both copies—

"Entered in Stock Register and Tally Cards

—————————(Dated Initials of Storekeeper)"

He will then despatch the original copy of the indent to the D S O who will deal with it as laid down in para 41

Indents will be sent to the D S O daily or on such dates as he may order

The duplicate copy of the Indent will be filed by the storekeeper as his office copy

(d) The D S O will arrange a monthly "closing date" for each store on which the store should if possible be entirely closed and no issues made for one or more days as may be found necessary in each particular case

On this date the originals of all indents which have not already been despatched, will be sent to the D S O

NOTE —The closing date should be arranged so as to give time for the monthly transfer vouchers (see para 41) to be sent to accounting officers and incorporated in their accounts during the same month

(e) On the closing date each storekeeper will prepare and despatch to the D S O the Monthly Stock Return (I A F W 2194 Serial No 32) Except in March and September this Return will only include items in respect of which changes have taken place during the month

On the closing dates of March and September the balances of all stores will be given

The Monthly Stock Return will be passed by the D S O to the C R E s U A who will check it and promptly bring any discrepancies to the notice of the D S O with a view to an early reconciliation being effected

(f) Should a storekeeper require labour or have to incur expenditure on despatching stores etc the transactions will be passed through the accounts of an accounting officer appointed by the C R E

41 Sub-head G 1 —Stock Stock Accounts

The following accounts in connection with the Stock transactions of the District will be maintained by the C R E's U A They will be kept in close proximity to the D S O who must have access to them at any time

(d) (v) Transfer vouchers in respect of any excess in the amounts *actually* paid or adjusted over the estimated cost [see para 42 (p)]

The Credit column will be entered up from the monthly tran fer vouchers for stores issued o accounting officers [see sub-para (e) below], from the transfer vouchers in respect of any excess in the estimated cost over the amounts actually paid or adjusted [see para 42 (p)], and from cash or transfer vouchers on account of sales of *stores or stores issued to other districts* departments etc

Transfer vouchers relating to the transfer of stocl from one M I S tore to another within the District will not be entered in the Stock Expense Ledger

The liability columns will be used to record liabilities on account of stores ordered from sources outside the District [see para 19 (d)]

(e) Monthly Transfer Vouchers (I A F W 2253 Serial No 69) A separate monthly transfer voucher per ub division (see Appendix IV Note 2) will be prepared by the D S O (in accordance with para 25) as soon as possible after the closing date [see para 40 (d)], and in sufficient time to be included in the accounts of accounting officers for the current month

The original and duplicate copies will be passed by the D S O direct to the accounting officer concerned and the triplicate copy to the C R E 's U A

These transfer vouchers will be prepared from the original copies of accounting officers indents [see para 40 (c) (iv)] against each item will be quoted both the indent number and the number of the Expense Ledger to which it is debitable Before issue the D S O will allocate all such vouchers to the Stock Expense Ledger

When an indent is endorsed to the effect that the value of the stores *is recoverable from a contractor this fact* will be noted [as in para 68 (b)] in the remarks column of the transfer voucher against the entries referred to

When the monthly transfer vouchers are received by an accounting officer he will pass each voucher to the S D O etc concerned who will —

(i) Check the transfer voucher with the triplicate copies of his indents [see para 40 (c)]

(ii) Endorse the triplicate copies of his indents in red ink as under —

Billed on Transfer Voucher No —— Dated——————

——————————(Dated initials of S D O etc) '

and transfer those indents which have been completely billed to a separate file

(d) (v) Transfer vouchers in respect of any excess in the amounts actually paid or adjusted over the estimated cost [see para 42 (p)]

The "Credit" column will be entered up from the monthly transfer vouchers for stores issued to accounting officers [see sub-para (e) below], from the transfer vouchers in respect of any excess in the estimated cost over the amounts actually paid or adjusted [see para 42 (p)], and from cash or transfer vouchers on account of sales of stores or stores issued to other districts, departments, etc

Transfer vouchers relating to the transfer of stock from one M I S tore to another, within the District, will not be entered in the Stock Expense Ledger

The "liability" columns will be used to record liabilities on account of stores ordered from sources outside the District [see para 19 (d)]

(e) Monthly Transfer Vouchers' (I A F W-2253, Serial No 69) A separate monthly transfer voucher per sub division (see Appendix IV Note 2) will be prepared by the D S O (in accordance with para 25) as soon as possible after the closing date [see para 40 (d)], and in sufficient time to be included in the accounts of accounting officers for the current month

The original and duplicate copies will be passed by the D S O direct to the accounting officer concerned and the triplicate copy to the C R E's U A

These transfer vouchers will be prepared from the original copies of accounting officers indents [see para 40 (c) (iv)], against each item will be quoted both the indent number and the number of the Expense Ledger to which it is debitable Before issue the D S O will allocate all such vouchers to the Stock Expense Ledger

When an indent is endorsed to the effect that the value of the stores is recoverable from a contractor this fact will be noted [as in para 68 (b)] in the remarks column of the transfer voucher against the entries referred to

When the monthly transfer vouchers are received by an accounting officer he will pass each voucher to the S D O etc, concerned who will —

(i) Check the transfer voucher with the triplicate copies of his indents [see para 40 (c)]

(ii) Endorse the triplicate copies of his indents in red ink as under —

"Billed on Transfer Voucher No —— Dated————

————————(Dated initials of S D O, etc)"

and transfer those indents which have been completely billed to a separate file

(j)—contd

transfer voucher and return the original copy to the accounting officer

NOTE —In order to complete the accounts of both the C R E and the accounting officer all transactions as above, which are passed through the Stores Purchases Account will temporarily be passed through the Head M E S Transfers within the District

In cases where a Stores Order has been entered in the Stores Purchases Register and where the accounting officer can take a final debit against the work as soon as the stores are received [see sub-paras (g) and (h) above] the accounting officer will send to the D S O the triplicate copy of the transfer voucher (when no longer required) endorsed with the allocation and with the certificate of entry in the Expense Ledger (see Appendix III)

The D S O will endorse this voucher " Transaction relates to Stores Order No —— Not to be passed through the Stores Purchases Account " and will pass it to the C R E 's U A The C R E 's U A will verify the Expense Ledger number and add the Item number in column 4 of the Stores Purchases Register against the Stores Order in question and will draw horizontal lines through the month columns (see Appendix IV) to show that the transaction is complete, the amounts shown on the voucher will not be entered in the Stores Purchases Expense Ledger or in the Stores Purchases Register as the transaction has not passed through the Stores Purchases Account

(l) When the stores (or any portion thereof) included in a Stores Order for Stock are actually received the D S O will prepare transfer vouchers in duplicate and dispose of them as follows —

(i) Price both copies in accordance with the Stores Order

(ii) Allocate both copies to both the Stock and the Stores Purcases Expense Ledgers

(iii) Obtain in both copies storekeeper's certificate as under —

Stores received and entered in Stock Register and Tally Cards on————

————————(Signature of storekeeper)

(iv) Pass both the copies to the C R E 's U A

The C R E 's U A will make the necessary entries in the Stock Expense Ledger the Stores Purchases Expense Ledger [except where credits are given direct see sub paras (g) and (h)] and the Summary of Receipts [see para 41 (a)] He will file the original copy of the transfer voucher in support of these entries and will pass the duplicate copy to the storekeeper to be filed in support of the entries in the Stock Register [see para 40 (b)]

For out stations which cannot be directly operated by the D S O, the G E or Accounting S D O will on behalf of the D S O, check the stores and prepare the transfer voucher in duplicate [see

(m) (ii) Number and page of Measurement Book (if required)

The consignor's bill, invoice, or issue voucher, may be used as a receipt voucher in which case it must be amended in accordance with (i) to (ii) above If the consignor's invoice, etc, is not used as a receipt voucher it will always accompany the original copy of the receipt voucher and will have endorsed on it the number and date of the receipt voucher and any damages or deficiencies (in red ink)

(n) If measurements are needed (*e g*, for timber etc) they will be entered in a Measurement Book the number and page of which will be quoted on the transfer voucher [see sub para (m) (ii) above]

Only the D S O or an accounting officer or an officer S D O, or Barrack Master appointed by the D S O or accounting officer, may receive stores and sign receipts on transfer vouchers measurement books or receipts given to suppliers the storekeeper's certificate for stores taken into stock [see sub para (l) (iii) above] is in addition to such receipts

(o) Bills transfer vouchers etc for stores ordered on a Stores Order will be sent by the supplier to the D S O

The D S O will check the bills etc, with the transfer vouchers which were submitted (by the accounting officer concerned) when the stores were received

If the bill is correct the D S O will allocate it (both to the *Stores Purchases Expense Ledger and to the specific Stores Order*) and pass it to the C R E's U A for payment or adjustment and for making the necessary debit entry in the Stores Purchases Expense Ledger

In cases in which rail freight, local charges etc have been paid direct by an accounting officer (from his imprest) on account of stores received for Stock he will at once pass a debit (through the G E's U A) to the C R E on a transfer voucher through the *Head M E S Transfers within the District' After allocation* the D S O will pass the voucher to the C R E's U A for entry in the Stores Purchases Expense Ledger or direct in the Stock Expense Ledger as the case may be [see para 41 (d)]

If a bill etc is found to be incorrect the D S O will take such steps as may be necessary for the production of a correct bill

Bills for stores for which the accounting officer has already taken a final debit in his Expense Ledger, will not be sent to the accounting officer unless the D S O wishes to obtain from him some information regarding the transaction

(p) After all charges on account of a Stores Order have been paid or adjusted the D S O will examine the credit and debit entries entered against this Stores Order in the Stores Purchases Register

(a) The object of the Stores Purchases in England Account is to enable the full expenditure to be recorded against Stock or the work concerned as soon as the stores have been received

The Stock Expense Ledger or the Expense Ledger of the work is debited with the value of the stores as estimated in the Stores Order [see para 42 (j) and (k)] and a corresponding credit is taken in the Store Purchases Expense Ledger [see sub para (b) below] When only an instalment of the full quantity of stores ordered is received a proportionate amount of the value of the stores as estimated in the Stores Order will be debited and credited as described above

When the English invoice for the stores or the bill or transfer voucher for freight charges customs duty etc is received payment is made from the Stores Purchases Account and Stock or the Work are only affected if the payment made is more or less than the amount estimated in the Stores Order [see para 42 (p)]

NOTE—In cases when an invoice is received prior to the arrival of the stores *a credit must be afforded at once to Main Head H—Deduct English* Cost of Stores This will be done by a corresponding debit in the Stores Purchase England Expense Ledger The above is the only case in which a debit is recorded in the Stores Purchases Account prior to the receipt of a credit from Stock or the Work

(b) The Stores Purchases in England Account consists of the Expense and Job Ledgers (Stores Purchases Register England) as detailed in para 42 (b) All transactions connected with the purchase of stores made in England are passed through this Account

(c) The rules and procedure laid down in para 42 sub paras (i) to (q) also apply to transactions relating to this account The following additional rules will also be complied with —

(i) When an invoice is received the amount is converted at the average rate of exchange [see para 9 (c)] and debited in the Store Purchases in England Expense Ledger concerned The corresponding credit is taken to Main Head H—Deduct English Cost of Stores [see sub para (d) below] at the official *rate of exchange viz Rs 13⅓ to the £* and the difference *plus* or *minus* if any is debited or credited to Main Head J—Exchange on Home Expenditure [see sub para (f) below]

(ii) English Stores required for works executed by the M E S on behalf of other Military departments whose works expenditure is accounted for under Budget Major Heads other than 50—M E S will be dealt with as if they were required for M E S District Stock When they are issued and debited to the work concerned Stock will be relieved by a corresponding credit

(d) "Main Head H—Deduct English Cost of Stores" is intended to collect in one place the credits corresponding to the debits entered in the Stores Purchases Register England (I A F W 2277,

(b) (ii) the outturn anticipated,

(iii) the distribution of the outturn to Stock and various works

(c) To cover the outlay funds will be earmarked by inclusion of the estimated value of the articles to be manufactured in the liability column of the Expense Ledger of Stock or the Work as the case may be

In cases when a manufacture will be carried over from one year to the next the value of any materials which it is anticipated will be unused at the end of the year must also be entered as a liability in the Expense Ledger of Stock or M A S of the Work [see sub-para (f) below]

Towards the end of the financial year the above liability entries must be carefully watched and amended if necessary

(d) A separate Expense Ledger under Sub head G 4—Manufactures will be maintained for each "Manufacture" of which the estimated outlay exceeds Rs 10,000

A "Minor Manufacture" (i e a Manufacture whose estimated outlay does not exceed Rs 10 000) will be treated as a sub work of the particular work for which the articles are to be manufactured The expenditure on a Minor Manufacture will be recorded in a separate expense ledger subsidiary to the Expense Ledger of the Work (see Appendix IV—Note 1)

As the outturn of a Manufacture is issued to Stock or Works transfer vouchers will be passed in the usual manner crediting the Manufacture by a corresponding debit to Stock or the Works concerned

(e) Manufactures will be debited monthly with the cost of repairs to kilns etc and also with a lump sum amount fixed by the C R E to cover depreciation

The corresponding credit on account of depreciation will be afforded to Major Head XXXVIII—Revenue

(f) On the completion of the operation and always at the end of the year, the accounting officer in charge of the manufacture will submit a completion report and the account will be closed and cleared

The value of any unused materials will be transferred to Stock or the M A S Account of the work concerned so that the manufacture will have a *nil* balance at the end of the year At the beginning of the next year the value of the unused materials which have been brought forward in Stock or in the M A S Account of the work may, if necessary be re transferred to the manufacture

(g) Any loss on a manufacture that cannot be adjusted against the outturn will, under the orders of competent authority, be debited to Stock or the Works concerned or to Main Head A 9—Losses Any profit will be adjusted by a credit to Stock or the Works concerned

(b) (ii) the outturn anticipated ,

(iii) the distribution of the outturn to Stock and various works

(c) To cover the outlay funds will be earmarked by inclusion of the estimated value of the articles to be manufactured in the liability column of the Expense Ledger of Stock or the Work as the case may be

In cases when a manufacture will be carried over from one year to the next the value of any materials which it is anticipated will be unused at the end of the year must also be entered as a liability in the Expense Ledger of Stock or M A S of the Work [see sub para (f) below]

Towards the end of the financial year the above liability entries must be carefully watched and amended if necessary

(d) A separate Expense Ledger under Sub head G 4—Manufactures will be maintained for each " Manufacture ' of which the esti mated outlay exceeds Rs 10 000

A Minor Manufacture ' (i e a Manufacture whose estimated outlay does not exceed Rs 10 000) will be treated as a sub work of the particular work for which the articles are to be manufactured The expenditure on a Minor Manufacture will be recorded in a separate expense ledger subsidiary to the Expense Ledger of the Work (see Appendix IV—Note 1)

As the outturn of a Manufacture is issued to Stock or Works transfer vouchers will be passed in the usual manner crediting the Manufacture by a corresponding debit to Stock or the Works con cerned

(e) Manufactures will be debited monthly with the cost of repairs to kilns etc and also with a lump sum amount fixed by the C R T to cover depreciation

The corresponding credit on account of depreciation will be afford ed to Major Head XXXVIII—Revenue

(f) On the completion of the operation and always at the end of the year the accounting officer in charge of the manufacture will submit a completion report and the account will be closed and cleared

The value of any unused materials will be transferred to Stock or the M A S Account of the work concerned so that the manu facture will have a *nil* balance at the end of the year At the beginning of the next year the value of the unused materials which have been brought forward in Stock or in the M A S Account of the work may if necessary be re transferred to the manufacture

(g) Any loss on a manufacture that cannot be adjusted against the outturn will under the orders of competent authority be debited to Stock or the Works concerned or to Main Head A 9—Losses Any profit will be adjusted by a credit to Stock or the Works concerned

(c) (ii) The Superintendent, on receiving the demand, will prepare a detailed estimate (I A F W-2227, Serial No 45) and will obtain the technical sanction of competent engineer authority

(iii) After the estimate has been sanctioned the Superintendent will prepare three copies of a Work Order (I A F W-2228, Serial No 46) send two copies to the demanding officer, and retain an office copy

If the demanding officer so requires a copy of the estimate will also be sent to him for information

The number of the Work Order will not be entered until it has been accepted by the demanding officer [see (v) below]

Such Work Orders are known as "Outside Work Orders", they will be numbered serially, a separate series of numbers *being given for each year [see (v) below]*

(iv) The demanding officer if he accepts the estimate and can provide the funds required will allocate (as a liability) both copies of the Work Order and enter thereon in the space provided the amounts which may be expended during the current year and next year, he will pass one copy to his U A (or Accounts Clerk) for entry as a liability in the Expense Ledger [see para 19 (*d*)] and will return the other *copy to the Superintendent*

The liability (if any) against the allotment for the next year will be noted in the "Remarks" column of the Expense Ledger and will be carried forward into the Expense Ledger for the next year

NOTE —This rule applies only to work done for another M E S officer in the same or another District

In other case
it will suffice
amounts up
and the next
of deposit to
in cash or
in hand an
that the M
or through any other factor which could not be foreseen when the estimate was prepared

(v) On receiving the allocated copy of the Work Order the Superintendent will record it in the appropriate "Register of Outside Work Orders" [see sub-para (*h*) below] and will enter the Register Number upon the Work Order in the space provided for Work Order Number He will then pass the Work Order to the Accounts Clerk who will enter its number and estimated cost in the appropriate Job Ledger [see sub para (*h*) below], endorse the Work Order "Entered in Job Ledger" below the work order number, and return it to the Superintendent

(o) (viii)—contd

will be prepared and dealt with as in (iii) above with the addition that the Work Order will be endorsed by the Superintendent at the top —

"Work put in hand up to Rs without acceptance of estimates reference your No dated "

(ix) Where the cost of a work cannot be adjusted by book transfer, i e, work for private individuals, other Government Departments whose accounts are not kept by the M A D, etc, and local bodies etc the same procedure as for Deposit Works (see para 53) will be followed

In the case of individuals who are paid by the M A D two copies of the transfer voucher [see (iii) above] will be passed to the workshop Accounts Clerk concerned who will take further necessary action for recovery of the amount by deduction from the salary of the individual concerned in the same manner as rent is recovered (see para 55)

NOTE —In the case of work done in Workshops for private individuals, local bodies Departments etc no intimation of percentage charges will be sent to the C R E's U A [see para 53 (f)] as necessary credits are booked in the Overhead Charges Expense Ledger

(x) When a demanding officer sends an article for repairs he will forward a transfer voucher (marked "Deposits") in duplicate with the article to the Superintendent One copy of the voucher will be receipted and returned at once to the demanding officer In the case of private individuals, etc, a receipt for the article will be furnished by the Superintendent

When the Superintendent returns the article duly repaired or despatches any manufactured article he will forward two copies of a transfer voucher with the article to the consignee One copy will be receipted and returned to the Superintendent and the other copy retained by the consignee

(xi) If at any time it is found that the actual cost is likely to vary materially from the estimated cost as shown in the Work Order or that expenditure cannot be incurred on the job up to the amount set aside for the year by the demanding officer [see (ii) above], an intimation must be sent at once to the individual making the demand In the case of Work Orders costing more than Rs 500 if the excess is likely to amount to more than 10 per cent of the estimated cost a revised estimate must be sanctioned and a revised Work Order accepted by the Officer making the demand If the excess does not come to light until the work has been practically completed, the preparation of a revised estimate and Work Order can be dispensed with and an explanation of the excess attached to or given on the transfer voucher [see (iii) above]

(*d*) (*ii*)—contd

(*ii*) and (*iii*) above] The first ten (say) numbers of the annual series will be allotted to the "Standing Annual Shop Work Orders" [see (*ii*) above]

(*e*) *Workshop Labour*

(*i*) Workshop personnel above the rank of Workshop Superintendent are "Supervising Staff", they are paid from Main Head E—Establishment and are not chargeable directly against the Workshop the provision on this account being covered by "On costs" [see para (*m*) (*ii*) below], an exception to this is the case of a S D O employed whole time on Workshop superintending duties whose pay is wholly debited against the Overhead Charges Expense Ledger by transfer from Main Head E—Establishment

(*ii*) "Superintending Staff" includes all permanent temporary or casual personnel employed for general duties whose pay is either debited direct to the Overhead Charge Expense Ledger or is transferred at the end of the month from the Main Head "E—Establishment" (see Regulations for the M E S) but which cannot be allocated to any specific shop or outside work orders

(*iii*) Casual personnel employed at monthly rates will be mustered daily on the Muster Roll (I A F W 2225 Serial No 71) or other convenient form They will be paid on the Casual Personnel Bill (I A F W 2258 Serial No 74) as laid down in para 27 (*a*)

(*iv*) Casual personnel employed at daily rates will be entered and paid on the Muster Roll as laid down in para 26 (*a*)

(*v*) Under the orders of the Superintendent a Daily Labour Sheet (I A F W-2236 Serial No 53) will be prepared showing the allocation of each individual (other than those whose pay is chargeable to Main Head E—Establishment) to the Work Order concerned

(*f*) *Workshop Materials*

(*i*) Stores, materials, etc required for a Workshop will be held on a M A S Account which, except as stated below, will be maintained as laid down in para 50

(*ii*) Indents prepared on the M A S Indent Book (I A F W-2305, Serial No 109) will be signed by the Superintendent Foreman, etc according to the orders in force

A separate indent must be made out for each work order and the work order number entered thereon Quantities only will be recorded on the Indent Form Issue Rates and costs will

(g) (ii)—contd

These will be maintained as laid down for an Installation (see para 33)

The Workshop Accounts Clerk must be given access at all times to any of the above documents

(h) *Register of Work Orders (I A F W-2229, Serial No 47)*

Separate Registers will be maintained for —

(i) Outside Work Orders for M E S

(ii) Outside Work Orders for other Government Departments

(iii) Outside Work Orders for Private Individuals

(iv) Shop Work Orders

Every outside work order will be entered in the appropriate register as soon as it has been accepted and allocated by the demanding officer

A Shop Work Order will be entered in the Register of Shop Work Orders as soon as the estimate has been sanctioned by competent engineer authority

The numbers allotted to Work Orders and entered (as Job Numbers) in the Registers will be as laid down in sub paras (c) (v) and (d) (ii) above

(i) *Job Sheets (I A F W-2230/2231 Serial Nos 48 and 49)*

A Job Sheet will be opened for each work order as soon as the work order has been entered in the Register of Work Orders [see sub-para (h) above]

Job Sheets will be posted daily from the Daily Labour Sheet [see sub-para (c) (i) above] and the Daily Materials Sheet [see sub para (f) (ii) above] At the end of each month the daily entries will be totalled and entered in the monthly summary on the Job Sheet Form These monthly totals will at the same time be entered in the Job Ledgers concerned [see sub-para (k) and (l) below]

Job Sheets will be kept in separate files corresponding to the separate Registers of Work Orders [see sub para (h) above]

(j) *Accounts maintained by the Workshop Accounts Clerk*

(i) Materials at Site Expense Ledger (see para 50) A single transfer voucher relating to the Expense Ledger the value of all materials issued during the month will be prepared at the end of each month from the Summary of Daily Labour and Materials [see sub para (g) (i) above] Amounts for materials issued to Outside Work Orders and to Shop Work Orders will be shown separately on the transfer voucher

(k) (v)—contd

M L S Advances (see para 46) Whenever possible the debits should be taken against the works concerned

(vi) Separate Job Ledgers on the Direct Charges Job Ledger Form (I A F W 2233 Serial No 50) will be maintained as under —

Outside Work Orders for M E S

Outside Work Orders for other Government Departments

Outside Work Orders for Private Individuals

Summary Job Ledger

Credits (in red ink) and debits (in black ink) will be entered on separate lines under labour and materials respectively against each work order These Job Ledgers will (except as stated below) be maintained in a similar manner to ordinary Job Ledgers (see para 20) that is to say the totals entered in the month columns will be "climbing" totals and when a Job is completed the final totals will be entered in each of the remaining month columns

The Direct Charges Job Ledgers are entered up at the end of each month from the Job Sheets [see sub para (i) above] and not from the Expense Ledger

The difference between the credits and debits as totalled in the Summary Job Ledger must be equal to the last entry for the month in column 7 of the Direct Charges Expense Ledger The actual expenditure for the month on labour and materials respectively should also be calculated from the Summary Job Ledger and compared with the "Summary of Daily Labour and Materials" for outside work orders [see (ii) above]

(l) *Overhead Charges Expense Ledger*

(i) This will be maintained on the Expense Ledger Form (I A F W-2242, Serial No 59) as laid down in para 19

(ii) It will be debited with all expenditure on Shop Work Orders [see sub para (d) above]

(iii) It will be credited with a percentage levied on the total cost of labour only recovered on outside work orders [see sub-para (c) (iii) above] This percentage will be fixed by the C R P from time to time so as to ensure that the workshop is self-supporting that is to say the percentage is intended to cover both the actual charges debited directly in the Overhead Charges Expense Ledger and also the debits entered in the *Pro Formâ* Summary [see sub-para (m) below]

The same percentage will be levied on all outside work orders except that when the Workshop is manufacturing at a cheaper rate than the market rate a special additional percentage on labour only will be levied on all outside work orders other

(*l*) (*v*)—contd

The difference between the credits and debits as totalled in the Summary Job Ledger must be equal to the last entry for the month in column 7 of the Overhead Charges Expense Ledger

The above Job Ledgers will be maintained as laid down in para 20 except that columns 2, 3, 4 and 5 will be left blank and that the debits Job Ledger is entered up monthly from the Job Sheets and not from the remarks column of the Expense Ledger

(*m*) *Monthly Workshop Return (I A F W-2234, Serial No 51)*

(*i*) The Monthly Workshop Return will be prepared in triplicate at the end of each month by the Workshop accounts clerk from the figures recorded in the Expense Ledgers and Job Ledgers and from the Plant Record Book The Return will be checked by the Superintendent, one copy will be filed and the other copies despatched to reach the C R E and the Workshop Officer respectively by the 18th of the next month

The figures entered in this return are all "climbing" totals and consequently the return records the position up to the end of the month and not only the transactions during the month

(*ii*) The object of the return is to enable a close watch to be kept on the working of the Workshop as a whole so as to ensure that it is self-supporting [see sub para (*l*) (*iii*) above]

The balance credit or debit of the "*Pro Forma* Summary" shows the gain or loss up to the end of the month A comparison of this balance with the total expenditure on labour only, outside work orders (recorded on the Return under Direct Charges), will enable the C R E to ascertain at once what revision of percentage (if any) is required Such revisions should not be made more often than is absolutely necessary in order to avoid the confusion caused in the Workshop accounts by the simultaneous operation of more than one percentage

In order to assist the C R E in locating the cause of a workshop requiring a high percentage to avoid running at a loss, a column is provided in the Return in which is recorded the percentages on the "outturn" of the various debits entered under Overhead Charges and in the *Pro Forma* Summary

(*iii*) Interest and depreciation on the total capital value of the Workshop as shown in the Plant Record Book are debited in the *Pro Formâ* Summary The percentage is fixed for interest by the Government of India at 6%, and for depreciation by the E in C (see Regulations for the M E S)

For various reasons sanction may be given for workshops to be constructed and maintained on a larger scale than is neces-

46 **Sub-head G. 6—Military Engineer Services—Advances.**

(a) The following are the items included under Military Engineer Services, Advances —

(i) Sales on Credit [see para 59 (d)]

(ii) Expenditure on Deposit Works in excess of the amount deposited [see para 53 (c)]

Such Expenditure should never be permitted but, if incurred, an entry must be made under this sub head until the amount is paid by the party on whose behalf the work is being undertaken

(iii) Overpayments to Contractors [see para 66 (g)]

(iv) Expenditure in a Workshop on labour and materials on an outside Work Order for which a corresponding debit cannot be taken against the work etc concerned during the current year [see para 45 (k)]

(v) Losses or deficiencies of cash pending investigation [see para 49 (j)]

(b) Except as specified above no expenditure may be debited to this head on the ground of absence or insufficiency of sanction or allotment, nor may any item be included which will eventually be debited to a budget head or to a Department [see para 38 (b)]

(c) The record of all transactions under this head will be kept by the U A (or Accounts Clerk) concerned in the Register of Suspense Account (I A F C M A 298 Serial No 118) which will be totalled at the end of each month and the total debits and credits of the month will be posted into the Classified Abstract of Receipts and Expenditure

47 **M E S Deposits**

(a) The following are the items included under M E S—Deposits which is not a budget head and is therefore not subject to the rule regarding lapses contained in para 4 (c) —

(i) Deposits for work to be done for local bodies private individuals etc [see para 53 (c)]

(ii) Cash deposits of subordinates as security (see para 83)

(iii) Cash deposits of contractors as security [see para 65 (e)]

(e) (ii) Balances not exceeding one rupee of items cleared during the year then closing

(iii) Balances unclaimed for more than three complete account years

NOTE —For the purpose of this rule the age of a repayable item or of a balance of it is to be reckoned as dating from the time when the item or the balance became first repayable

(f) Deposits which are credited as a revenue receipt, either under sub-para (e) above or under para 66 (l), cannot be repaid by the M E S until the claim has been checked by the U A concerned

The amount to be repaid will be treated as a refund of revenue under the head to which it was originally credited [see also para 54 (e)]

48 Stock Taking

(a) All furniture, tools and plant and stock (including Materials at Site), will be checked annually by the D S O or other officer appointed by the C R E

The Stock Taking Report (I A F W-2221, Serial No 40) will be used for this check, a separate form being used for each Store, S D O, or Barrack Master s charge

(b) The check will be spread over the year, a few items being checked at each inspection, 25 per cent should be checked quarterly

The checking officer will enter his dated initials in the remarks column against each item checked and will sign on the back of the form a statement of any deficiencies, damages etc, which he will promptly bring to the notice of the C R E He will also put his dated initials against the item checked in the ledger of the S D O, Barrack Master, or Storekeeper

(c) The checking officer will reconcile the district ledger balance with the local ledger balances by examining all vouchers, indents, etc, issued between the intervening dates

(d) Furniture on charge of units need not be counted, it is sufficient if the checking officer compares the Barrack Master's (or S D O's) and the Unit's Furniture Distribution Ledgers All furniture should, however, be inspected periodically and its condition noted on the form

(e) The D S O is also responsible for making a periodical inspection of all Stores in Hand Accounts [see para 51 (g)]

In such cases a Stock Taking Report is not required

(*g*) Minor losses of stores, and normal losses of coal, etc , will remain as a charge against stock or the estimate of the work for which the stores were ordered

(*h*) Losses of articles held on charge without value have not to be financed The articles will be struck off the ledgers after the loss statement, duly approved by the Competent Authority, is received

(*i*) Losses of articles held on charge with value, which are chargeable neither to stock nor to works, will be charged off *at once* under Main Head A—Works, Sub head 9—Losses

The correct allocation in all transactions will be shown on the voucher [see sub para (*b*) above] and the loss statement [see sub-para (*d*) above]

The C R E will be responsible for financing this head at once, and, if the loss is in regard to stock articles, the loss will always be financed from Main Head G—Suspense Sub head 1—Stock [see para 39 (*f*)]

(*j*) Losses or deficiencies of cash will pending investigation [see sub-para (*c*) above] be debited to M I S —Advances [see para 46 (*a*) (*i*)]

50 Materials at Site

(*a*) When materials are purchased for a work they will whenever possible be debited direct to the job (detailed estimate) on which they are to be used In cases where materials have to be collected for a work to which administrative approval has been accorded, and it is not possible to debit such materials direct to jobs then a Materials at Site Account will be opened

The sanction of the C R E is required before a M A S Account may be opened and this sanction will state the maximum value up to which materials may be collected (see Regulations for the M E S)

In exceptional cases where it is necessary to collect materials for a work to which administrative approval has not yet been accorded, the prior approval of the authority competent to accord administrative approval to the work must be obtained

Before any expenditure may be incurred an allotment of funds must be available on the work for which materials are being collected

(*b*) Materials at Site Accounts are usually authorised in connection with either a Major Work an Installation or a Workshop

In distant out-stations where the keeping of stock would be inconvenient, or in small stations where the value of stores to be held is not sufficient to justify the keeping of stock the C R E may, with the approval of the C E , authorise a M A S Account to

(c) (iii) Summary of Materials at Site (I A F. W-2226, Serial No 44) This Summary will be maintained by the S D O concerned and will be entered up at the end of each month from the Materials at Site Register, it will then be passed to the U A (or Accounts Clerk) concerned for check with the Expense Ledger The issue rates in the Materials at Site Register will be altered whenever necessary to ensure that the balance debit of the M A S Account Expense Ledger agrees as nearly as possible with the total of the balances recorded in the Summary

(ii) Indent Book for Materials at Site Stores (I A F W-230, Serial No 109) The S D O concerned may operate a M A S Store personally or he may detail a Sub overseer, clerk, etc, for the work of issuing stores and maintaining the M A S Register and the Summary of M A S In all cases stores will only be issued on an indent (on the above form) which must be signed by the S D O himself A separate indent will be prepared for each Expense Ledger in which the stores issued will be finally debited The Sub overseer, Workman, etc who draws the stores will give a receipt (or thumb impression) on the indent which will be retained by the individual who issues the stores

The Register of M A S will be entered up daily from the indents

At the end of every month transfer vouchers [see (i) above] are prepared from the indents a separate voucher being prepared for each Expense Ledger in which the stores issued are to be debited

After all transfer vouchers for materials issued have been accepted and recorded in the various ledgers etc the receipted indents may be destroyed

(d) Immediately the works for which the materials were collected have been completed, the M A S Account must be cleared

A valued statement of the materials remaining surplus copied from the Summary of Materials at Site will be submitted through the G E to the C R E On receipt of this statement the D S O will issue orders as early as possible regarding the disposal of the surplus materials

(e) When a M A S Account is carried over from one year to another, no allotment of funds in the new year is required to cover the debit balance so carried forward

As the materials carried forward from the previous year are used up on the work (or budget Sub head) their value is debited to the expense ledger of the work etc and credited to the M A S expense ledger Although these two entries cancel one another it must be remembered that the debit balance of the M A S Account has been carried forward from the previous year without any corresponding credit with the result that it appears as a debit against the

(*b*)—contd

of the D S O must be obtained to return to Stock, etc , stores which are not immediately required

(*c*) A G E will report to the C R L all Stores in Hand Accounts authorised by him stating the maximum value in each case

(*d*) Where a Major Work (for which a M A S account is not considered necessary) is likely to have a quantity of stores in hand at the end of a month, the C R E may give authority to any individual to hold a separate Stores in Hand Account up to a maximum value of Rs 500 for that work in addition to any other Stores in Hand Accounts held by the same individual

(*e*) If exceptional circumstances require that a maximum value for any Stores in Hand Account should exceed Rs 500 the authority of the C F is required in each case

(*f*) Surplus stores left over on the completion of a Major Work, or material obtained from demolitions etc may only be transferred to a Stores in Hand Account under the authority of the D S O [see para 50 (*d*)]

(*g*) The D S O will maintain a list of all Stores in Hand Accounts in the District He will inspect them periodically to ensure that the Stores in Hand Ledger is being properly maintained that materials purchased on one Main Head are not being used to any large extent on other Main Heads and that maximum values authorised are not being exceeded

52 Execution of Government Works by Private Bodies

When the M I S entrusts to the agency of a Municipality, etc , the maintenance of Government buildings or roads without transferring the property to the local body, the payment made to it on this account should be treated as a payment for work done by a contractor If lump sum payments have been agreed upon the procedure for settling the account periodically and for recording the cost of the works may be settled with the concurrence of the C M A provided that —

(*i*) a certificate of work having been done in accordance with the conditions agreed upon is placed on record by the C R E

(*ii*) when the payment is made for a number of works expenditure on all of which falls under different Budget Heads the necessary allocations are recorded

(*iii*) as far as possible the liability of a year is settled within that year

(*d*)—contd

Each work will be recorded separately and the figure entered in column 6 "Allotment for the current year" will be the amount of the deposit received Refunds of unexpended balances of completed works will be compiled as a reduction of the original deposit and not as an expenditure, and will be recorded in the Register of Expenditure by making a corresponding reduction in the figure entered in column 6

(*e*) The amount of each deposit should be actually divided into two parts one representing the share available for works expenditure and the other showing the departmental charges leviable thereon The expenditure on each of the above parts will be entered on a separate line in the Register of Expenditure

(*f*) Departmental Charges should be adjusted month by month as expenditure on a work is incurred The C M A may, however, specially authorise the adjustment to be made once a year in the accounts for March but the necessary adjustment must be made in the month concerned if the accounts are closed before the month of March

The total amount of departmental charges adjusted on deposit works during each month, will be intimated monthly by the G E 's U A to the C R E 's U A to enable him to enter up the corresponding credits in appropriate expense ledgers, etc [see para 35 (*c*)]

(*g*) The Monthly Expenditure Return (I A F W 2251, Serial No 67) will be rendered for Deposit Works, by accounting S D Os to the G E and by the G E to the C R E

The C R E will not render this return to the C E unless specially ordered

54 Revenue Receipts

(*a*) On behalf of the [illegible] R E his U A will record all Revenue Receipts in a single Expense Ledger (I A F W 2242 Serial No 59) and a Jo[illegible] Ledger (see Appendix IV) For this purpose [illegible] will be amended to read "Reve[illegible] the Columns of this Revenue [illegible]der —

Column 5 to read "Revenue Realised"

Column 6 to read "Revenue Refunded"

Column 7 to read "Net Total Revenue"

Columns 8 to 13 of this form will not be utilized

Entries in the Revenue Ledger will be made as soon as a properly allocated intimation of realisations or refunds is received from the

5 **Recovery of Rent for Buildings, etc**

(a) The Officer Commanding station or unit, the head of a department, or any other authority responsible for the allotment of quarters will inform the G E concerned whenever a quarter, or any building used for residential purposes is allotted or vacated The rank, name and unit of the occupant, the designation of the quarter, and the date from which allotted or vacated, will be specified These rules do not apply to residential accommodation provided for the occupation of clerks and workmen employed in Army Ordnance and Clothing Factories for which special Government orders exist

(b) The G E will maintain an Occupation Register (I A F W-2288 Serial No 93) He will furnish the C R E 's U A or the Deputy Assistant Controller of Army Factory Accounts concerned in the case of buildings allotted to the personnel of Army Ordnance and Clothing Factories by the 10th of every month with a list showing —

(i) Any changes in occupation specifying rank name, and unit of the individual concerned designation of quarter and date of occupation or vacation

(ii) The amount of damages to be recovered from the occupants of quarters [see para 31 (j)]

(iii) The amount of tax to be recovered from occupants of quarters

(c) The C R E s U A or the Deputy Assistant Controller of Army Factory Accounts will maintain the following ledgers —

(i) Rent Assessment Ledger (I A F W-2239 Serial No 56), for all rentable buildings including all buildings used as quarters and all hired buildings

(ii) Rent Ledger (I A F W-2240 Serial No 57) The occupation portion of this ledger will be corrected on receipt of the G E 's monthly list [see sub para (b) above]

(d) The C R E s U A or the Deputy Assistant Controller of Army Factory Accounts will prepare the Rent Bills (I A F W 2241 Serial No 58), in triplicate and will forward two copies to —

(i) the Accountants attached to the Military Units concerned, the Controllers of Military Accounts, the Controller of Army Factory Accounts the Treasury Officer or the Head of the Government office concerned for individuals paid direct by them, so as to reach them not later than 23rd of the month

(ii) Individuals not paid by any of the above, by the 25th of the month with the request that the bill may be paid by the 5th of the following month

(h)—contd

Any balance remaining unrecovered will be intimated by the C R E 's U A, or the Deputy Assistant Controller of Army Factory Accounts through his C M A, or the Controller of Army Factory Accounts to the accounts officer to whose circle of audit the individual is transferred

(i) If the rent recoverable from a Government servant is limited to a certain percentage of his emoluments and such emoluments are changed retrospectively the rate at which rent is recovered should also be changed retrospectively

The audit officer concerned will be responsible for intimating to the C R E changes in the rates of pay of such Government servants except in the case of individuals paid by the Controller of Army Factory Accounts

(j) The Ledgers maintained by the C R E 's U A or the Deputy Assistant Controller of Army Factory Accounts, will be test audited locally at the periodical inspection

(k) Amounts billed for must be paid All questions of wrong assessment should be dealt with between the local M E S officer and officers named in sub para (a) above

(l) In the case of manufacturing and *quasi* commercial concerns viz , Grass and Dairy Farms Medical Store Depots and Workshops Bakeries Butcheries Army Ordnance and Clothing Factories and M E S Installations the following special procedure will be adopted —

A simple bill will be prepared by the G E concerned giving the following information —

(i) Total capital value of the buildings occupied (excluding accommodation such as officers' quarters for which rent is paid direct to the M E S by the individual concerned) giving details and cross references to the pages of the Annual Return of Public Military Buildings on which the buildings in question are shown

(ii) Rent assessed at —— per cent (*see* Regulations for the M E S)

(iii) Total amount of rent recoverable

(iv) Signature of the G E

(v) Signature of the Officer Commanding the Depot etc , in token of acceptance

This bill will be prepared in triplicate in the month of March (quarterly in the case of Dairy Farms and Medical Store Depots and Workshops) and submitted in duplicate to the Officer Commanding the Depot etc , concerned for acceptance

(e)—contd

The treasury receipts, etc , forwarded by the G E to the C R I S U A will be attached to this abstract

(f) In the case of private consumers the monthly bill (I A F W 2217, Serial No 36) will be prepared by the G E, and sent to the consumer by the 5th of the following month accompanied by a receivable order unless cash in payment may be received (see para 16)

(g) The bill with the treasury receipt will be returned to the G E concerned by the 22nd of the month

(h) The G E will forward to the C R I S U A not later than the 28th of the month all bills treasury receipts, and transfer vouchers in support of the amounts recovered locally These will be checked by the G E's U A before transmission If they do not total up to the amount shown in the first entry on the Return of Recoveries [see sub para (d) above] an explanation must be given

(i) The G E will arrange that the S D O E & M or other individual who is actually maintaining the Consumers' Ledgers etc , is promptly informed of any changes of allotment and vacation of quarters [see para 55 (a) and (b)] so that meters may be read and charges for any broken periods made without delay

(j) Charges for hire of fans for security deposits when authorised, and for incidental charges such as replacing fuzes will be included in the Return of Recoveries (Electric) and in the Rent Bills

Rent for internal electrical installations (where not included in the rent for the building—see Regulations for the M E S) will be shown in column 7 of the Rent Bill

Damages to electric fittings and wiring will be dealt with under para 31 (j)

(k) The Consumers' Ledger (Electric) (I A F W-2184, Serial No 30), which forms the basis for the recovery of electric charges, etc , will be test audited locally at the periodical inspection

(l) Amounts billed for must be paid All disputes etc , will be dealt with as laid down in para 55 (l)

(m) Separate Consumers' Ledgers will be maintained —

(i) On the Consumers' Ledger (Electric) (I A F W 2184 Serial No 30) for all non entitled consumers including those belonging to the Royal Air Force and Royal Indian Marine The procedure laid down above will be followed in effecting recoveries therefrom

(ii) On the Consumers Ledgers—Special (I A F W 2170 Serial No 27) for Royal Air Force and Royal Indian Marine

(m) (iii)—contd

Manager of the Farm concerned for Grass and Dairy Farms,

Depot accountants concerned (through the Superintendents of Factories or Officers in Charge of Depôts) for Army Ordnance and Clothing Factories and Medical Store Depôts and Workshops,

G E concerned for M E S Installations

(iv) On the Consumers' Ledger—Special (I A F W-2170, Serial No 27) for Arms and Departments of the Service noted in Appendix VI

A separate page will be given for each Arm (not Unit) and Department The ledger will be entered up at the end of each month

The amounts for each Arm and Department (except for those relating to M E S Works etc), will be intimated to the C R E 's U A who will furnish them to the C M A when required for purposes of preparation of accounts of the Army

NOTE —No adjustment on account of the transactions referred to in clauses (iii) and (iv) will be made in the M E S District accounts

(n) Recoveries on account of charges for electric energy will be treated in the same way as recoveries of rent [see para 55 (f)]

57 Recovery of charges for water

(a) Water supplied from a M E S water supply installation may be charged for by means of a water rate or tax based on the annual rental of a building, or under an agreement, or by meter

(b) When water is charged for by meters, they will be read monthly by the M E S meter reader as near the end of the month as possible

The meter reading will be entered on the meter card (I A F W-2296, Serial No 101), attached to the meter, and in the meter reader's book (I A F W 2297, Serial No 102)

(c) From the meter reader's book, assessment statements, etc , the G E concerned will enter up the Consumers' Ledger (Water) (I A F W-2299, Serial No 104) by the 5th of the following month

(d) The subsequent procedure for recovery, etc , of charges for water in a non cantonment station will be as laid down in para 56, sub paras (c) to (l)

59. Sale of Stores, Materials obtained from dismantling a work, etc.

(a) The sale proceeds or the assessed value of materials obtained from dismantling a work will after deducting the cost of dismantling, be credited —

(i) to Revenue, when the work is totally or partially dismantled for administrative reasons and its capital value is written off,

(ii) to the maintenance sub-head concerned in the case of repairs or renewals,

(iii) to the work in cases where land is acquired and buildings on it are demolished to clear the site for the construction of a new work

If the materials are brought on to stock or used on a different work then stock or the particular work will be debited

Any adjustments required under these rules should be provided for in the estimates

(b) Sales of stock are credited to stock

Stores may, with the C R E 's approval, be sold to other departments or to private persons on cash payment, but an addition of 10 per cent on account of departmental charges should be made This percentage will be credited as a Revenue receipt The percentage may be waived by the C R E in the case of surplus stock and is not recovered in the case of unserviceable stock

(c) All sales of stores will be entered on I A F W-2281, Serial No 91

(d) When stores of any kind are sold on credit, i e, when the cost of such stores is to be recovered or adjusted through an accounts officer, the value of such stores, *plus* the departmental charges referred to in sub-para (b) above, will be debited to " M E S — Advances " (see para 46)

The corresponding credit for the value of the stores will be afforded to the stock or to the work concerned so that —

(i) the accounts of the stock or work concerned may be kept correct,

(ii) the recovery from the individual concerned may be properly watched

The departmental charges will be credited as a Revenue receipt

(e) Except in the case of cash sales or sales on credit [see sub paras (b) and (d) above], or sales effected through the Central Disposals Organization, stores will be sold by public auction The auctioneer

(b)—contd

to another, and date of final return for record, these particulars will also be entered inside the cover of the Measurement Book

Measurement Books must be carefully preserved by the C R E's U A for ten years after the date of completion of works the measurements of any part of which are recorded therein

(c) Measurement Books will be indented for by G Es only when required The S D O for whom they are required will be specified

(d) Each Measurement Book must contain an index showing the names of the works etc concerned and the pages referring to them

This index must be kept up to date by the S D O

(e) Measurements should as far as possible be made by the S D O himself and not by his subordinates When such measurements are made by subordinates their accuracy should invariably be tested by comparison with estimates and plans and by actual check measurements made by the S D O The G E should also carry out test measurements

(f) Entries in the Measurement Book must clearly specify the work to which the measurements relate and the date when they were made Detailed measurements taken on a work may be in pencil, but the number area or cubic contents in the last column must be in ink Pencil entries may not be inked over, if any entry is illegible or incorrect it should be cancelled and replaced by an initialled entry in ink

Pages are machine numbered and no page may be torn out

Entries are to be continuous and blank pages are not to be left

A reliable record is the object to be aimed at, as the Measurement Book may have to be produced as evidence in a court of law

(g) In the case of large works it is essential that measurements should be recorded during the progress of the work and not left until the whole work is completed

Each portion of a work (such as foundations, walls etc) should be measured and finally recorded in the Measurement Book as soon as possible after it is completed Covered work (such as foundations, water pipes, etc) may not be filled in without the written permission of the G E or S D O which will not be given until the measurements have been recorded and checked The recorded measurements of each portion of a work should be compared with the abstract of the detailed estimate as modified by the Technical Deviation Sheet, see para 8 (c)

(h) Before a contract bill is prepared, an abstract in ink of the detailed measurements billed for is made in the Measurement Book This abstract will be fully entered up with rates and costs, and the totals must be the same as the totals entered on the bill form

(a) (i) Percentage (or Schedule, or Estimated) Rate Contract (I. A. F. W-1779, Serial No 2)—Payment will be made for the quantities of different kinds of work actually done, in accordance with defined specifications, at a certain percentage above or below the rate specified in the estimate, in the district schedule of rates, or in the special schedule of rates attached to the contract

(ii) Item Rate Contract (I. A. F W-1779-A, Serial No. 3).—Payment will be made for definite items of work done in accordance with defined specifications at rates stated in the contract

(iii) Piece-Work Contract (I A F W-1780, Serial No 4)—Only a rate is agreed upon without reference to the total quantity of the work to be done or the quantity to be done within a given period.

(iv) Auctioneers Contract (I A F Z- , Serial No 125).—This form will be used by the M E S only when the auctioneers appointed by the Master General of Supply cannot undertake the auction and special arrangements have to be made by the M E S

(v) Running Contract for supply of Materials (I A. F. W-1815, Serial No 14)—Rates at which materials are to be supplied, time allowed for delivery, etc, are specified.

(vi) Contract for Conveyance of Materials (I A. F. W-1815-A, Serial No 15)—Only used when the Indian Army Service Corps are unable or unwilling to carry out the conveyance of materials on behalf of the M E. S.

(vii) Special conditions for electrical wiring contracts (I A F. W-2211, Serial No 34)—Rates and prices are specified in Schedules attached to the Contract as stated in the above Form.

(viii) Lump Sum Contract (I. A F. W-2159, Serial No 24)—Payment will be made for the execution of a definite work at a fixed amount in accordance with defined specifications and plans.

A schedule of rates for calculating the cost of variations must always be agreed to, as well as the rates at which such items as are not included in the contract will be paid for.

(b) A separate contract will be made for each Major Work [*see* para 29 (*b*)].

Contracts for items of a Major Work may be given to different contractors, but no individual contractor may be given contracts for two or more items of the same Major Work the total value of

(*d*)—contd

A serial number preceded by the index letter [see para 6 (*c*)] will be given to each contract by the officer accepting it, *e g* —

Contract No K/20 of 1928 29

(*e*) The powers of the M E S authorities to accept contracts are given in Regulations for the M E S

63 Tenders

(*a*) Tenders are to be called for by public notice, but a tender form may be given only to an approved contractor The cost of ad vertisements etc , will be debited to the work concerned In exceptional cases the C R E may dispense with calling for ten ders and may make an arrangement within his powers with any approved contractor he should in such cases report the circum stances to the C E Similarly the G Es employed in the Districts situated in North West Frontier Province and Baluchistan may in exceptional circumstances enter into an agreement up to Rs 500 with any approved contractor without calling for tenders In such cases a report of the circumstances should be made to the C R E

(*b*) The Forms used will be as laid down in para 62 (*a*)

(*c*) Tenders for amounts beyond the C R E s power of acceptance will ordinarily be called for by the C R E

Tenders on receipt by the C R E or the G E will be deposited in a locked box of which he will hold the key

No tender is to be accepted after the hour specified in the call for tenders when the C R E or the G E will open in public such tenders as have been received read them out and enter them in the Comparative statement of tenders (I A F W 1810 Serial No 11)

No tender unaccompanied by the necessary earnest money will ordinarily be considered

(*d*) The amount of earnest money to be furnished will ordinarily be fixed at Rs 50 but in the case of large contracts the C R E will fix such amount as he considers desirable

(*e*) If the acceptance of the contract lies with the officer opening the tenders he will return the earnest money to the unsuccessful con tractors and complete the agreement with the man selected

If the amount of the contract is beyond his powers he will for ward the comparative statement to higher authority stating which contractor is recommended and his reasons for the recommenda tions

Earnest money will be produced in the presence of the officer who opens the tenders

(*d*)—contd

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(*e*) If the acceptance of the contract lies with the officer opening the tenders he will return the earnest money to the unsuccessful contractors and complete the agreement with the man selected

If the amount of the contract is beyond his powers he will forward the comparative statement to higher authority, stating which contractor is recommended and his reasons for the recommendations

Earnest money will be produced in the presence of the officer who opens the tenders

(a) (iii) *plus* or *minus* the same percentage of the difference between (i) and (ii) that the contractor has tendered above or below estimate or schedule rates

(iv) less the value of materials to be supplied to the contractor and for which he is to be paid full rates for completed work

(b) If the amount of a tender is so high as to cause the sanctioned detailed estimate to be exceeded (or to make it likely that it will be exceeded) beyond the limits permitted by Regulations for the M E S then the tender cannot be accepted until the necessary action has been taken with regard to both administrative approval and technical sanction

(c) An officer empowered to accept a contract is also competent to fix any rates in that contract for items of work which are not provided for in the district schedule, *e g* , in any contract within his powers of acceptance he may fix any special rates required

In the case of percentage rate contracts in which special rates are sanctioned it must be definitely stated whether or not the contractors percentage (above or below) is to be applied to such special rates

Ordinarily it is desirable that the contractors' percentage should apply to all rates including special rates whether sanctioned at the time of the acceptance of the contract or afterwards

C R Es and G Es are also empowered to pass any individual non schedule rate in a bill during the construction of a work involving the payment of not more than Rs 1 000 and Rs 200 respectively

Where the payments involved exceed the above amounts, or where the non schedule rate has not been sanctioned prior to the completion of the work, the sanction of the officer who accepted the contract must be obtained

(d) An officer having power to accept contracts is also competent to sanction any amendment thereof, provided that he does not thereby exceed his powers to accept contracts [see also sub para (b) above] and that the amendment is sanctioned before the whole of the work covered by the contract is complete If an amendment is not sanctioned within the period described above the sanction of the next higher engineer authority is required

After a contractor has signed his final bill (or in the case of a running contract for minor works maintenance etc , after the expiry of the period covered by the contract) any amendment to the contract will require the sanction of Government

The operation of a definite clause of a contract (*e g* an extension of time where such is specifically covered by an existing clause in the contract) will not constitute an amendment to the contract

(e) When a running contract (*e g* , for minor works maintenance, supply of materials etc) is entered into and no specific quantities

(b) (i)—contd

Deposit receipts of recognised banks approved by the General Officer Commanding, District

Post Office 5 year cash certificates for their market price and not for their face value

Post Office Savings Bank pass books

NOTE —In the event of Government paper tendered as security appreciating or depreciating no readjustment of the value of the Government paper will be made unless the rise or fall of the market value is such as to render it necessary to call upon the deposit[illegible]
to the extent of at least Rs 100
security is lodged to return to the
extent Even then no such adjust[illegible]
justment there is still a reasonable
Government paper tendered and th[illegible]

(ii) A deduction of 5 per cent to 10 per cent from the gross amount of the contractors bills i e, the value of work done at contract rates

(iii) Personal security of two persons of known probity and wealth

The security may be a combination of (i) and (ii) if considered desirable by the C R E or the G E

When a security is taken from a contractor a bond or agreement setting forth the conditions under which the security is held and may be refunded should be obtained

(c) The amount of the security to be taken should ordinarily be calculated as follows to the nearest ten rupees —

(i) For a contract not exceeding Rs 10 000 in value 10 per cent with a minimum of Rs 25 except in the case of contracts for works in the North West Frontier Province when it may be reduced to 5 per cent at the discretion of the C E

(ii) For contracts between Rs 10 000 and Rs 30 000 7 per cent with a minimum of Rs 1 000 and a maximum of Rs 2 000

(iii) For a contract exceeding Rs 30 000 in value 5 per cent with a minimum of Rs 2 000

If calculated as above the security deposit exceeds Rs 6,000 the amount may be specially fixed by the officer accepting the contract having regard to the probable loss or inconvenience to Government from failure on the part of the contractor but in such cases the amount must not be fixed below Rs 6 000

(d) A security deposit may be restored to a contractor on his executing a No Demand Certificate (I A F A-451 Serial No 114) as soon as possible after the delivery of the supplies or the performance of the services contracted for and with due regard to the state of his account A C R F (after consultation with his U A)

(f)—contd

satisfied as to the right and title of the claimant and considers that undue delay and hardship would be caused by insisting on the production of letters of administration In any case of doubt, payment should be made only to the person producing legal authority A security deposit made by another person on behalf of a contractor will on fulfilment of the contract, be returned to the depositor

66 Contractors' Accounts

(a) The Hand Receipt (I A F W 2260, Serial No 76) may be used for making petty payments or petty advances to a contractor other than payments made on a Running or Final Contract Bill Final payments will be made on a Final Contract Bill (I A F W 2262 Serial No 78) Payments on running accounts will be made on a Running Contract Bill (I A F W 2263, Serial No 79)

(b) Contractors bills ordinarily should be prepared monthly and should be signed by the contractor after the bill has been checked by the U A (or Accounts Clerk) concerned Petty contractors bills may be submitted at more frequent intervals

(c) Before the final bill of a contractor or a supplier is prepared the entries in the measurement book relating to the description and quantities of work or supplies should be scrutinised by the S D O concerned and the calculations of " contents or area " should be checked arithmetically under his supervision The abstract of the measurement book should also be compared with the abstract of the detailed estimate as modified by the Technical Deviation Sheet

The bill will then be prepared on I A F W 2262 [see sub para (a) above] from the abstract of the measurement book The same form is used for billing lump sum as well as percentage contracts but for lump sum contracts only variation are entered in the measurement book

When passing the bill the G E or C R L will sign the following certificate which is printed on the bill form —

" Certified that the site has been cleared and all Tools and Plant returned by the contractor "

Care must be taken to ensure that any " charges against " a contractor as recorded in the Contractors' Ledger and the Expense Ledger, are taken into account in making out the bill Full rates as per contract agreement indent or other order, should be allowed only if the quality of work done or supplies made is up to the stipulated specification When the work or supply made is not up to the standard only such a fraction of the full rate will be allowed as is considered reasonable with due regard to the general terms of the agreement

When the contract agreement does not specify the rates to be paid for the several classes of work or supply but only states that

(e)—contd

is carried over from one year into another the total of the "charges against" the contractor must be extracted from the Expense Ledger of the previous year and entered at the top of the Expense Ledger of the new year

A payment to a contractor on a "Running Contract Bill" is always a "charge against" the contractor and must be entered in both columns 5 and 12 of the Expense Ledger

Where a succession of Running Contract Bills are submitted for the same work the U A concerned will draw the attention of the G E or C R E to any item of such a bill which was shown 100 per cent complete in the previous bill but for which detailed measurements have not yet been recorded

All payments on a Running Contract Bill are made on the personal responsibility of the G E or C R E concerned who will sign the following certificate which is printed on the bill form —

> "I have satisfied myself by personal inspection that the works entered above have reached the stages shown and that they have been executed in accordance with the terms of the Contract The amount hereby advanced to the contractor does not include payment for more than 75 per cent of the difference between the value of the work completed but not measured and the cost of stores issued up to date"

(f) Payments made to a contractor on Running Contract Bills must be settled on a Final Contract Bill (see sub para (c) above)

If the contractor refuses to accept payment due to him on a Final Contract Bill, a note is to be entered thereon and any sum due to him should be charged to the work and credited to "M E S Deposits"

(g) If the final account of a contractor shows that he has already been overpaid, or that the account closes with a balance due by him, the account should be settled by a recovery in cash or otherwise (e g, from some other bill) If an immediate recovery is not practicable the balance should be credited to the work and debited to the head "M E S Advances" (see para 46)

A note of the final payment having been made will be entered on the contract agreement

(h) All contractors' bills must be signed by the G E or C R E before they are passed to the U. A concerned for check and transmission to the Audit Officer

(i) The U A (or Accounts Clerk) concerned will maintain a Contractors' Ledger (I A F W-2264, Serial No 80) wherein a folio will be opened to cover all transactions with a particular contractor The Ledger will be posted as transactions occur and will be balanced monthly

(b)—contd

have been agreed upon and (3) that a formal agreement on I A F W 1833 A Serial No 21, signed and executed by contractor in accordance with para 67 of the M E S Account Code is recorded in the G E 's/C R E 's office "

Payments of secured advances will be made on a hand receipt and a schedule of the materials against which the advance was made will be attached

(c) Payments in advance to a contractor for work completed but not measured may be made in accordance with para 66 (c)

(d) If under the terms of a contract, daily labour is employed by the M E S or any other expenditure is incurred which is debitable to the contractor, the amount will be entered in the Expense Ledger of the work concerned (see sub para (a) above) and in the Contractors Ledger

(e) The value of M E S *stores issued to a contractor for use on* works for which the contractor is paid for completed work [see para 68 (a) and (b)] will be entered in the Expense Ledger of the work (see sub para (a) above) and in the Contractors' Ledger The accounting officer concerned is responsible that recoveries are effected from bills as the materials are used

(f) If it is desired to advance money to a contractor for the importation of labour construction of coolie lines etc the sanction of the C E is required such advances must not exceed the amount of the security deposit held up to date All other advances will be referred to the E in C who has full powers to sanction any advances to contractors after taking the necessary precautions for securing Government against loss and for preventing the system from becoming general or continuing longer than is absolutely essential

68 Issue of Stores to Contractors

(a) Stores may be issued to a contractor—

(i) for use on works for which the contractor is paid for fixing only in which case the cost of the stores is charged finally to the work

(ii) for use on works for which the contractor is paid for the completed work, in which case the cost of the stores is debited initially to the work and recovered from the contractor's bills [see para 67 (e)] Difference between stock issue rates and

(b)—contd

have been agreed upon, and (3) that a formal agreement on I A F W-1833 A Serial No 21, signed and executed by contractor in accordance with para 67 of the M E S Account Code is recorded in the G E 's/C R E 's office "

Payments of secured advances will be made on a hand receipt and a schedule of the materials against which the advance was made will be attached

(c) Payments in advance to a contractor for work completed but not measured may be made in accordance with para 66 (c)

(d) If under the terms of a contract, daily labour is employed by the M E S or any other expenditure is incurred which is debitable to the contractor, the amount will be entered in the Expense Ledger of the work concerned (see sub para (a) above) and in the Contractors' Ledger

(e) The value of M E S stores issued to a contractor for use on works for which the contractor is paid for completed work [see para 68 (a) and (b)] will be entered in the Expense Ledger of the work (see sub para (a) above) and in the Contractors' Ledger The accounting officer concerned is responsible that recoveries are effected from bills as the materials are used

(f) If it is desired to advance money to a contractor for the importation of labour construction of coolie lines etc , the sanction of the C E is required such advances must not exceed the amount of the security deposit held up to date All other advances will be referred to the E in C who has full powers to sanction any advances to contractors after taking the necessary precautions for securing Government against loss and for preventing the system from becoming general or continuing longer than is absolutely essential

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(i) for use on works for which the contractor is paid for fixing only in which case the cost of the stores is charged finally to the work

(ii) for use on works for which the contractor is paid for the completed work in which case the cost of the stores is debited initially to the work and recovered from the contractor's bills [see para 67 (e)] Difference between stock issue rates and

(*d*) The accounting officer concerned is responsible that stores issued for a work are brought to the site of the work and actually used thereon, no stores may be removed without the permission of the G E

(*e*) When stores are issued to a work for which the contractor is paid for the completed work and the contract is on the basis of a percentage above or below schedule or estimated rates, the percentage to be added to or deducted from the contractor should be calculated on the gross amount of the contractor's bill

(*f*) Tools and plant may be issued on loan to a contractor, provided that a statement to this effect is made in the contract and the nature, quantities, value, and place of issue, specified, also that any damage or deficiencies will be paid for

On issue the contractor must sign a receipt which will be given back to him when he returns the tools etc

The cost of any losses, damages, etc, must be recovered from the contractor and credited to Revenue, the amount will be shown in the Contractors' Ledger pending recovery

In the case of tools and plant lost by a contractor an additional charge of 10 per cent on account of departmental charges will be levied, this amount will be credited as a Revenue receipt

69 Return of Surplus Materials from Contractors

Government is not bound to take over from contractors surplus materials whether supplied by Government or by the contractor himself

Such materials may be taken over if it is in the interests of Government to do so If taken over, they will be paid for at prevailing market rates taking into consideration the condition of the stores If the stores were originally supplied by Government the price allowed to the contractor on re acquisition must not exceed the amount charged to the contractor

70. Endowments

(*a*) Endowment fees which are payable to M E S officers under the Ecclesiastical Rules may be paid to an accounting officer in cash (see para 16) or into the treasury on a Receivable Order (I A F A 507, Serial No 116) In the latter case the treasury receipt will be passed at once to the G E 's U A

The amount received will be credited to the Head "Cemetery Endowment Fund" under the Head "Savings Bank Deposits—Bank Accounts"

(f)—contd

endowments to end of the year being taken from the register of endowment receipts

(g) The annual account of cemetery endowments should be submitted to the Military Accountant General through the C M A within a week of the despatch of supplementary accounts to enable him to check the account before transmission to the E in C

The responsibility for seeing that all the accounts are duly submitted will rest with the Military Accountant General

71 Capital and Revenue Accounts

(a) In respect of civil buildings in charge of the M E S which are available for occupation as residences Capital and Revenue Accounts are prepared annually by the Military Accountant General for each major head of expenditure in accordance with the rules prescribed in the Account Code (Civil publication issued by Auditor General) and in any subsidiary orders issued by the E in C or the Government of India Department of Industries and Labour

For this purpose the G E will furnish his U A with the necessary data in respect of such buildings as may have to be included in the Capital and Revenue Accounts in suitable forms prescribed by the C M A or the Military Accountant General

These accounts are however not prepared in respect of military buildings in charge of the M E S or the P W D

(b) In order to ensure that the rent of a military building is duly revised when necessary Rent Assessment Ledgers will be carefully maintained and particular care taken to see that the capital value of buildings as shown therein agrees with that shown in the Annual Return of Public Military Buildings and that any increase in capital cost due to renewals or additions is duly recorded in the Ledger against the buildings concerned The C R E's U A should record annually in these Ledgers a certificate to the effect that they have been scrutinized and completed in the above respects and that rents of buildings have in all cases been revised where necessary

(c) When the accounts of a work involve expenditure on the construction acquisition or equipment of a building intended to be used as a residence or expenditure on renewals to an existing residential building the C R E's U A will see—

(i) that if it is a new building it is entered in the annual return of public buildings and rent assessment ledger,

(ii) that steps are taken to obtain the orders of competent authority to assess or revise the rental

(f)—contd

discretion of the C R E or C E must be treated as if he were on leave or on joining time for as much of the time as may be regarded as excessive

73 **Service Books and Leave Accounts**

It is essential that service books of all civilian personnel are properly maintained in accordance with the orders laid down in the Civil Service Regulations

The Head of the Office will particularly ensure that they are in no case allowed to fall into arrears i e events must be recorded therein before the preparation of the monthly salary bill to which they relate

Similarly it is necessary that before leave applications are disposed of the admissibility of leave applied for is properly verified in accordance with the records of service etc In all cases of doubt the advice of the C M A should invariably be obtained

(d) (iv) Accounts between Civil and Military.

Remittances from Military to Civil—I:—

for amounts paid into the treasury.

Remittances from Civil to Military—II:—

for cheques or remittance transfer receipts drawn on Civil treasuries

Items adjustable by Civil—III.—

for stores issued to, or work done for, Civil departments

Items adjustable by Military—IV·—

for stores obtained from, or work done by, Civil departments

(v) Exchange Accounts or Central Adjusting Accounts (as the case may be) —

for items adjustable with Marine, Posts and Telegraphs, and Railways

75. Duties of Accounts Clerks working in the Offices of Accounting S. D. Os.

(a) The Accounts Clerk attached to the office of an Accounting S D O will be required to maintain the following accounts, registers, etc —

(i) Expense Ledgers (I A F W-2242, Serial No 59) (Para 19 and Appendix IV), for expenditure directly operated by the S D O on account of —

Major Works including Materials at Site of Works (Paras 29 and 50)

Minor Works (Para 30)

Maintenance—Buildings, Communications, etc (Paras 31 and 32)

Installations (Para 33)

Tools and Plant (Para 37).

Manufacturing Operations (Para. 44).

Deposit Works (Para 53)

(ii) Job Ledgers (I A F W-2249, Serial No 65) (Para 20 and Appendix IV) in connection with the expense ledgers enumerated above

(iii) Register of Expenditure (I A F W-2250, Serial No 66) (Paras 21 and 53)

(iv) Register of Approvals (I. A F. W-2252, Serial No 68) (Para 23).

(c) (iii) Copy of Transfer Entry Book supported by all transfer vouchers

(iv) Abstract showing monthly totals of debits and credits recorded in the Registers of Suspense Accounts [see sub para (a) (iii) above] These totals will only be accepted as correct by the G E s U A after testing their accuracy with the corresponding totals brought out in the Abstract of Receipts and Payments (I A F C M A 257 Serial No 117) (see para 79)

(v) Extract from the Contingent Bill Register

(d) The Statement of Items placed under objection (I A F C M A 262 Serial No 119) will be submitted to the G E 's U A as soon as possible after the preparation of the Monthly Expenditure Return and this statement will be checked by the G E 's U A before incorporating it in his Monthly Statement of Items placed under objection [see para 78 (c)]

(e) *In addition to the above the Accounts Clerk will maintain any* other accounts records and furnish such information in regard thereto as may be required by the G E s U A or the C R E 's U A

(f) The Accounts Clerk will completely check with the relevant measurement books (see para 60) all muster rolls irrespective of any monetary limit and such bills as can be paid directly by the Accounting S D O under para 17 (b)

All bills and measurement books passed to the G E 's U A will also be checked by the Accounts Clerk both arithmetically and as regards rates etc with copies of Contract agreements supplied to the S D O Schedule of Rates etc This check will not however absolve the G E s U A from exercising the prescribed check over such bills

He will particularly watch that all necessary recoveries on account of " Charges against " a contractor (such as payments on Running Contract Bills issues of stores etc) have been entered in the bill as the G E 's U A who is not in possession of the expense ledgers will not be able to check such items

(g) He will also be responsible for checking the balance of every M A S Expense Ledger with the Summary of M A S (see para 50)

(h) He will see that the Expense Ledgers [see para 6 (f)] and other registers are scrutinized monthly by the S D O whose dated initials on the fly leaf will be sufficient proof in token of his scrutiny

76 Duties of the G E 's Unit Accountant

(a) The G E 's U A will ordinarily maintain the accounts registers etc , enumerated in para 75 (a) in respect of all expenditure directly operated by the G E

(a) (vii) Schedule of Credits to Miscellaneous Heads of Account (I A F W 2293, Serial No 98)

The amounts creditable to each head, e g, Income Tax (see para 27) Cemetery Endowment Fund etc will be shown collectively to facilitate their posting in the Monthly Account

(viii) Schedule of Debits to Miscellaneous Heads of Account (I A F W 2293 Serial No 98)

The amounts debitable to each head, e g, Interest on other obligations—Interest on Cemetery Endowment Fund etc will be shown collectively to facilitate their posting in the Monthly Account

(ix) Register of Endowment Receipts (I A F W 2289, Serial No 94) (Para 70)

(x) Ledger Account of Endowments (I A F W 2290, Serial No 95) (Para 70)

(xi) Annual Account of Cemetery Endowments (I A F W 2291, Serial No 96) (Para 70)

(xii) Classified Abstract of Receipts and Expenditure (I A F W 2294 Serial No 99) (Para 79)

(xiii) Monthly Account (I A F W 2295, Serial No 100) (Para 79)

(xiv) Abstract of Receipts and Payments [I A] C M A 257, Serial No 117 (Para 79)]

(xv) List of all contracts relating to the Division together with the duplicate copies of such contracts [Para 62 (d)]

(xvi) Contractors' Ledger (I A F W 2264 Serial No 80) (Para 66)

This ledger will be maintained for recording the accounts of all contractors in the Division including those for whom a separate Ledger is being maintained in the office of an Accounting S D O In the latter case it will be posted from the cash or adjustment vouchers received with the accounts of the Accounting S D O

(b) The G E 's U A will also maintain such other records as may be found necessary for furnishing any information required by the C M A or the C R E 's U A in respect of reports returns etc

He will render to the C R E 's U A the Monthly Accounts (see para 79) complete in all respects and embodying the accounts of all Accounting S D Os in the Division

He will arrange that no transactions affecting transfers between accounting officers *within the Division* are shown in the Monthly

(a) (xii) Schedule of Credits to Miscellaneous Heads of Account (I A F W 2293, Serial No 98)

The amounts creditable to each head, *e g* , Income Tax (see para 27) Cemetery Endowment Fund etc will be shown collectively to facilitate their posting in the Monthly Account

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The amounts debitable to each head *e g* , Interest on other obligations—Interest on Cemetery Endowment Fund etc , will be shown collectively to facilitate their posting in the Monthly Account

(xiv) Register of Endowment Receipts (I A F W 2289 Serial No 94) (Para 70)

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(xii) Classified Abstract of Receipts and Expenditure (I A F W 2294 Serial No 99) (Para 79)

(xiii) Monthly Account (I A F W 2295, Serial No 100) (Para 79)

(xiv) Abstract of Receipts and Payments [I A F C M A 257, Serial No 117 (Para 79)]

(xv) List of all contracts relating to the Division together with the duplicate copies of such contracts [Para 62 (*d*)]

(xvi) Contractor Ledger (I A F W 2264 Serial No 80) (Para 66)

This ledger will be maintained for recording the accounts of all contractors in the Division including those for whom a separate Ledger is being maintained in the office of an Accounting S D O In the latter case it will be posted from the cash or adjustment vouchers received with the accounts of the Accounting S D O

(b) The G E 's U A will also maintain such other records as may be found necessary for furnishing any information required by the C M A or the C R E 's U A in respect of reports returns etc

He will render to the C R E 's U A the Monthly Accounts (see para 79) complete in all respects and embodying the accounts of all Accounting S D Os in the Division

He will arrange that no transactions affecting transfers between accounting officers *within the Division* are shown in the Monthly

(a) (v) Stores Purchases Register (I A F W 2277 Serial No 88)
Separate registers subsidiary to each Stores Purchases Expense Ledger are maintained for Stock and Works respectively [see Appendix IV and (iii) above]

(vi) Schedules of Credits to Miscellaneous Heads of Account (I A F W 2293 Serial No 98) for recording transactions relating to —

Income Tax
General Provident Fund
Deduct English Cost of Stores
Gain by Exchange
Etc

(vii) Schedules of Debits to Miscellaneous Heads of Account (I A F W 2293 Serial No 98) for recording transactions relating to Loss by Exchange etc

(viii) Revenue Ledger (I A F W 2242 Serial No 59) Job Ledger (I A F W 2249 Serial No 65) in connection therewith and the Monthly Revenue Return (I A F W 2251 Serial No 67) as laid down in para 54

(ix) Rent Assessment Ledger (I A F W 2239 Serial No 56) and Rent Ledgers (I A F W 2240 Serial No 57) (Para 55)

(x) Register of Measurement Books (Para 60)

(xi) Register of Incumbents of Charges (Para 72)

(b) The C R E s U A will also prepare for signature by the C R E and submission to the Deputy Financial Adviser (Works and Marine) Army Headquarters the Progress Report of M L S Expenditure and Revenue (I A F W 1776 Serial No 1)
This return will be despatched not later than the 20th of the following month

(c) The C R E s U A will particularly watch that before the Transfer Entry Book for each month is closed he has received duly allocated transfer vouchers on account of the following classes of transactions from all G Es —

(i) Establishment and Tools and Plant charges levied in accordance with Regulations for the M E S on deposit works and work done for other departments etc (Para 53)

(ii) Establishment (including Contingent) charges (Para 35)

(iii) Revenue realised (Para 54)

(iv) Supervision charges levied on sales of Stores and Tools and Plant (Paras 59 and 37)

(f)—contd

Province will be exercised by the Deputy C M A (Works), North West Frontier Province

(g) The C R E's U A will also maintain such other accounts, registers, etc, as may be ordered by the C M A

All doubtful questions regarding the interpretation of rules, procedure etc, will be referred by the G E's U A to the C R E's U A, the latter will, except when he is aware of orders which clearly dispose of the case, obtain the orders of the C M A through the Audit Officer (M E S Accounts) before issuing instructions for the guidance of all concerned

(h) The C R E's U A will be responsible for watching that the totals, both debits and credits under the Head "M E S Transfers" on account of receipts and expenditure pertaining to other M E S Districts within the same Military Accounts District are balanced by the corresponding credits and debits collected from the remittance schedules received from other M E S Districts, in other words no difference on this account should appear in the C M A's books at the end of the financial year

(i) The Audit Officer will furnish the C R E's U A daily with a list of cheques issued and adjustments made by him so far as they pertain to the accounts of the accounting officers in the District

The list of cheques will contain the following information —

Number and amount of cheque

Name of treasury

Number and date of accounting officer's bill or demand

From this list the C R E's U A will furnish each G E's U A (or the Accounts Clerk of each Accounting S D O) with a similar list in respect of the cheques pertaining to the accounts of that Division (or Sub Division) to enable him to check the transactions entered in the Cash Book of the officer concerned and to afford the necessary debit to the Head "P—Deposits and Advances" in the case of cheques which may not be paid away during the month

78 General responsibilities of Unit Accountants

The duties devolving upon the M A D personnel attached to the offices of accounting officers are enumerated in the various paragraphs of the Code and have been summarized in paras 75 76 and 77

The U As are also responsible for the following —

(a) A Register of Specimen Signatures (I A F W 2243 Serial No 60) will be maintained by the U A (or Accounts Clerk) concerned wherein will be entered in separate sections the names of —

(i) All officers and all subordinates who prepare bills of contractors, muster rolls, etc

(*f*)—contd

Province will be exercised by the Deputy C M A (Works), North-West Frontier Province

(*g*) The C R E's U A will also maintain such other accounts, registers, etc, as may be ordered by the C M A

All doubtful questions regarding the interpretation of rules, procedure, etc, will be referred by the G L's U A to the C R E's U A, the latter will, except when he is aware of orders which clearly dispose of the case, obtain the orders of the C M A through the Audit Officer (M T S Accounts) before issuing instructions for the guidance of all concerned

(*h*) The C R E's U A will be responsible for watching that the totals, both debits and credits, under the Head "M E S Transfers" on account of receipts and expenditure pertaining to other M E S *Districts within the same Military Accounts District* are *balanced* by the corresponding credits and debits collected from the remittance schedules received from other M E S Districts, in other words no difference on this account should appear in the C M A's books at the end of the financial year

(*i*) The Audit Officer will furnish the C R E's U A daily with a list of cheques issued and adjustments made by him so far as they pertain to the accounts of the accounting officers in the District

The list of cheques will contain the following information —

Number and amount of cheque

Name of treasury

Number and date of accounting officer's bill or demand

From this list the C R E's U A will furnish each G E's U A (or the Accounts Clerk of each Accounting S D O) with a similar list in respect of the cheques pertaining to the accounts of that Division (or Sub Division) to enable him to check the transactions entered in the Cash Book of the officer concerned and to afford the necessary debit to the Head "P—Deposits and Advances" in the case of cheques which may not be paid away during the month

78 **General responsibilities of Unit Accountants**

The duties devolving upon the M A D personnel attached to the offices of accounting officers are enumerated in the various paragraphs of the Code and have been summarized in paras 75, 76, and 77

The U As are also responsible for the following —

(*a*) A Register of Specimen Signatures (I A F W-2243 Serial No 60) will be maintained by the U A (or Accounts Clerk) concerned wherein will be entered in separate sections the names of —

(i) All officers and all subordinates who prepare bills of contractors, muster rolls, etc

(*g*) (*iii*) The charges are supported by complete vouchers and by the acknowledgments of the payees legally entitled to receive the sums paid

(*iv*) All charges have been "allocated" by the M E S officer concerned, and that those which are debitable to the personal account of a contractor, etc, are recorded as such in a prescribed account

NOTE—It is not necessary that the U A should check personally the arithmetical accuracy of all vouchers and accounts but he is responsible that full check is exercised efficiently under his supervision

The C R E's U A will similarly examine the accounts received from G Es to see that they are complete in all respects

(*h*) Receipts and expenditure on all budget heads are finally shown in the Classified Abstract of Receipts and Expenditure (I A F W-2294, Serial No 99)

This Abstract is posted as follows —

(*i*) The Revenue receipts of the District during the month pertaining to each Major Head will be taken from the Monthly Revenue Return which is prepared from the Revenue Ledgers (see para 54)

The entries relating to Revenue Receipts do not appear in the accounts of G Es as such receipts are collected in the C R E's office

(*ii*) The expenditure relating to budget heads [other than that referred to in (*iii*) and (*iv*) below] is posted from the Register of Expenditure (see para 21) the entries in which are extracted from the Expense Ledgers and Job Ledgers enumerated in Appendix IV

(*iii*) *In the case of Main Head E—Establishment the expenditure* on the various detailed heads will be posted directly from the Job Ledgers [see para 36 (*c*)]

(*iv*) The expenditure on M E S Advances, Exchange on Home Expenditure and English Cost of Stores, will be taken from the Registers and Schedules referred to in sub para (*e*) (*ii*) and (*iv*) above

NOTE—Since the totals in the Expense Ledgers and the Registers of Expenditure are climbing totals it will be necessary for the U A to calculate the expenditure incurred during the month for the purpose of posting the Classified Abstract

(*i*) The C R E's U A before closing the Monthly Accounts of the District will ensure that (as far as possible) debits and credits under the Head 'M E S Transfers between accounting officers within the District cancel and do not therefore, appear in the consolidated monthly accounts of the District [see also para 77 (*h*)]

(c)—contd

accounts of the year are finally closed, but after the accounts are closed no correction is admissible except in the following cases —

(i) An error or omission in the recorded expenditure of a work which comes to light after the accounts of the work have been closed

The accounts may be re opened, but if this is not considered desirable and the amount involved exceeds Rs 10 the circum stances of the case should be reported to the C M A who will decide whether the accounts should be corrected and if so, whether the revised sanction of the competent authority is necessary

(ii) All errors affecting Debt (including Suspense) and remittance heads (see para 74) These must be corrected however old they may be

81 Pro-forma Accounts

(a) When the details of any class of transactions as recorded in the accounts do not sufficiently indicate the financial results of the operations for a specific period and it is necessary to ascertain these results it is usual to prepare periodically suitable *pro forma* ac counts in addition The special forms prescribed by the Auditor General or determined by the Military Accountant General in con sultation with the Local Government concerned or the E in C will be used in cases where the accounts are required for audit purposes Otherwise the forms laid down for the purpose by the administra tive authorities in consultation with the C M A concerned will be used

(b) When for purposes of *pro forma* accounts which the audit officers are required to prepare or check it is necessary to determine the charges incurred on a particular work or service or a group of works or services the expenditure thereon will be booked separately in the general accounts even if under rule it may not be customary to estimate or account for such expenditure separately (see Appen dix IV)

82 Transfer transactions

(a) The principles and rules prescribing the conditions under which one department of the public service may charge another department under the same Government or a department under another Govern ment for services rendered or articles supplied to it and the pro cedure to be observed in recording such charges in the public ac counts are given in Appendix V Financial Regulations for the Army in India Part II

(a)—contd

executed and lodged with the C R E The form in which security is lodged will be determined by the C R E in consultation with the C M A

(b) The security deposit may be —

(i) Cash in deposit (see para 85)

(ii) Government securities other than Post Office 5 year Cash Certificates [see (v) below]

(iii) Municipal debentures

(iv) Port Trust Bonds

(v) Post Office 5 year Cash Certificates for their market price and *not for their face value*

(vi) Post Office Savings Bank Deposits

(vii) Deposit receipts of recognized banks duly approved by the General Officer Commanding, District

(c) No action is necessary on the part of M E S officers in the case of sub para (b) (i) except when a cash deposit is required to be converted into any of the forms of interest bearing securities, see para 47 (c)

The security deposits enumerated in sub-para (b) (ii), (iii), and (iv) are subject to the rules in Chapter VIII of the Government Securities Manual [also see para 65 (b)] and those in sub para (b) (v) and (vi) to the Rules for Cash Certificates and Savings Bank Accounts respectively

In the case of Savings Bank deposits the depositor must himself lodge the money in the Post Office and deliver the pass book to the C R E duly hypothecated to him

The deposit receipts of recognized banks [see sub-para **(b) (vii)** above] are to be transferred to pledgee

Transactions relating to securities other than cash deposits do not pass through the regular accounts of the District

(d) The C R E will be responsible for making necessary arrangements for custody or disposal of the security deposits in accordance with the prescribed rules and for drawing any interest due thereon He will also watch that, in the event of the transfer of an individual, his security deposit and bond are also transferred to the new District

The rule contained in the Note to para 65 (b) (i) will apply in the event of any appreciation or depreciation of Government paper tendered as security

(e) The general rules laid down in Financial Regulations for the Army in India Part I will be followed regarding the refund of security

Main Head A—Works—contd

Sub-
Head

7 Installations—
 (a) Water Supply
 (b) Electrical
 (c) Ice
 (d) Miscellaneous Machinery

8 Minor Works—
 (a) Army exclusive of services noted below
 (b) Auxiliary Force
 (c) Indian Territorial Force
 (d) Ordnance Depots
 (e) Remount Department
 (f) Medical Store Depots

9 Losses

Main Head B—Maintenance—Buildings Communications, etc

Sub-
Head

1 Military Buildings—
 (a) Expenditure
 (b) *Deduct* receipts on account of rent, etc , from other Departments of the Central Government
2 Military Roads in Cantonments
3 Military Roads *ex* Cantonments
4 Furniture—
 (a) Repairs
 (b) Renewals
 (c) *Deduct* cost of maintenance debitable to the Royal Air Force
5 Miscellaneous—
 (a) Expenditure
 (b) *Deduct* receipts on account of rent, etc , from other Departments of the Central Government

Main Head C—Maintenance and Operation—Installations

Sub-
Head

1 Water Supply—
 (a) Expenditure
 (b) *Deduct* recoveries from other departments of the Central Government
2 Electrical—
 (a) Expenditure
 (b) *Deduct* recoveries from other departments of the Central Government
3 Ice
4 Miscellaneous Machinery
5 Renewals

Main Head H—Deduct *English cost of Stores*

Main Head I—Expenditure in England

Main Head J—Exchange on Home Expenditure

Sub Head

1 Stores

2 Establishment

NOTE —Expenditure in connection with Army Ordnance and Clothing Factories will be recorded in Expense Ledgers Registers of Expenditure etc, under the above Main Sub, and Detailed Heads For purposes of compilation the expenditure will be collected and shown under the following headings —

48 A III C Army Ordnance and Clothing Factories

Capital—

1 Land works plant and other stores chargeable to capital

(a) Financed from new grants

(i) Expended by M E S

(b) Financed from Depreciation

(i) Expended by M E S

2 Expenditure on buildings etc not chargeable to capital account Cash payments

(a) Repairs to buildings and other works

(b) Establishment

(c) Tools and Plant

Main Head R—XXXVIII M L S Revenue

Sub-Head

1 Rents—

(a) Buildings

(b) Furniture

(c) Internal Electrical Installations and hire of fans

(d) Miscellaneous (Hire of Tools and Plant etc)

2 Recoveries on account of supply of—

(a) Water

(b) Electric Energy

3 Sales of Government Property

4 Miscellaneous (Fines refunds unclaimed deposits etc)

5 Receipts from Land Sales Suspense Account

NOTE —Head XXXVIII is a Major Head It has been given the Main Head letter R in order to conform with the system of budget numbering (Appendix II)

Main Head G—Establishment

Sub
Head

1 Payments to 50—M E S

2 Payments to 48—Army, for Audit

Main Head H—Tools and Plant

Sub
Head

1 Payments to 50—M E S

CIVIL WORKS REVENUE

For the purposes of Revenue the Major Head distinguishing letter will be as for Expenditure with the addition to a letter (R) in brackets as shown

For example—

E (R) would denote the Revenue Major Head corresponding to Major Head 41—Civil Works Central under the E in C voted, i e, Major Head XXX—Civil Works Revenue

The sub-heads under Major Head XXX—Civil Works are —

1 Rents of buildings
2 Rents of electrical installations
3 Rents of water supply and sanitary installations
4 Interest on Cemetery Endowments
5 Ferry receipts
6 Tolls on roads
7 Recoveries of expenditure
8 Miscellaneous
9 *Deduct*—Refunds

(iii) DEPOSIT WORKS

M E S Distinguishing Letter	Major Head
D	Deposit Works

If convenient a second small letter may be added by C R Es to the above distinguishing letter, *e g*

Dc	Cantonment Fund Works
Dm	Municipal Works
	etc, etc

Main Heads Sub heads, and Detailed Heads, either may follow the system laid down above for 50-M E S, or may be aranged specially to suit local conditions

(f)—contd

The C E will allot a single letter for each District and for each Division in his Command Care must be taken that no confusion can arise through the duplication of such letters within a Command

Sub Divisions (or Barrack Masters' charges) will be indicated by two letters The first letter will be the Division letter allotted as above by the C E The second letter will be allotted by the C R E and will be—

Any letter except E M, or B, for S D Os Buildings and Roads

L and M reserved for S D Os Electrical and Mechanical

B reserved for Barrack Masters

For example —

W	Chief Engineer, Western Command
S	C R E Sind Independent Brigade Area
K	Garrison Engineer, Karachi
KK	S D O Buildings and Roads, Karachi
KH	S D O Buildings and Roads Hyderabad
KD	S D O Buildings and Roads, Drigh Road
KE	S D O Electrical and Mechanical, Karachi
KB	Barrack Master, Karachi

(g) Where it is necessary to refer to a single 'Job' this may be done by adding the Job number at the end of the Expense Ledger number

(h) *The following are examples of Expense Ledger numbers* —

M A 1 (b) 5/K K	= 50—M E S—Main Head A Works—Accommodation British Troops—Budget Item Number 5—Karachi Division—Karachi Sub Division
R B 1/K D	= 48—Army R A F—Maintenance, Buildings—Karachi Division—Drigh Road Sub Division
R B 1/K D 125	= Same as above—Job (Requisition) Number 125
M F 1/S	= 50—M E S—Main Head F—Tools and Plant—M E S Expenditure—C R E, Sind Independent Brigade Area

(i) The above system of Budget Numbering will be applied to compilation as under taking the case of Sub head B 1—Maintenance, Buildings —

S D O Hyderabad (accounting S D O) will report the expenditure in his Sub Division to G E Karachi under M B 1/K H

G E Karachi will report the total expenditure in his Division to C R E Sind Independent Brigade Area under M B 1/K

C R E Sind Independent Brigade Area will report the total expenditure in his District to C E Western Command under M B 1/S

C E Western Command will collect the total expenditure of his Command under M B 1/W

APPENDIX IV

Expense Ledgers and Job Ledgers to be maintained

[See paras 19 and 20]

Main Head A—Works

(1) For every Major Work—

A single Expense Ledger with a special Job Ledger (kept on I A F W 2250 Serial No 66) in which the "Jobs" are the same as the Items of the Plinth Area Estimate [see para 20 (e)]

(2) For Sub head 8—Minor Works—

A single Expense Ledger per S D O

Separate Job Ledgers (with a Summary Job Ledger) for each detailed head

(3) For Sub head 6—Furniture and Sub head 9—Losses—

A single Expense Ledger with a Job Ledger per S D O

Main Head B—Maintenance—Buildings, Communications, etc

A single Expense Ledger per S D O for each sub-head

Job Ledgers as under —

(1) B 1 Military Buildings

Separate Job Ledgers (with a Summary Job Ledger) for —

Petty Repairs
Periodical Repairs
Renewals
Repairs to internal electrical installations
Renewals to internal electrical installations

(2) B 2 Military Roads in Cantonments
B 3 Military Roads *ex* Cantonments

A single Job Ledger in each case

(3) B 4 Furniture

Separate Job Ledgers (with a Summary Job Ledger) for —

Repairs
Renewals

In cases where a Barrack Master (or S D O) has had an allotment for repairs only placed at his disposal a Job Ledger is not usually required [see para 32 (b)]

(4) B 5 Miscellaneous

Such separate Job Ledgers (with a Summary Job Ledger) as may be authorised by the C R E to meet the requirements of each particular sub-division,

e g, separate Job Ledgers may be kept for such items as —

Appropriated Bungalows
Rifle Ranges
Other Miscellaneous Items
Etc etc

Main Head C—Maintenance and Operation—Installations

A single Expense Ledger per S D O for each Sub head

In the event of there being two or more Water Electric or Ice, Installations in one Sub-Division a separate Expense Ledger will be kept for each such Installation

Job Ledgers as under —

(1) C 1 Water Supply
C 2 Electrical

Main Head G—Suspense—contd.

The Stores Purchases Register will be maintained in a similar manner to a Job Ledger (see para 20) each order being given a definite Item (or Job) number

Entries under the month columns will be "climbing" totals, they will be made in the same way as in a Job Ledger except that when the transactions in a Stores Order are complete (and the credit and debit entries in the last month column are therefore equal) the credit and debit figures need not be entered in the remaining month columns as they cancel one another

In order to indicate that the transaction is complete horizontal lines (red ink for credit line and black ink for debit line) will be drawn from the month column in which the credit and debit entries are equal through the remaining month columns and through column 13 "Amounts transferred to M E S Deposits"

(3) G 3 Stores Purchases in England

A single Expense Ledger for the C R E (see para 43)

Two separate 'Stores Purchases Registers" (I A F. W-2277, Serial No 88), one for Stock and one for Works, are used and are entered up in exactly the same way as described above for "Stores Purchases in India" except —

Nine lines will be used for each Stores Order.

Lines 1 and 2 will be credits and debits for "Stores"

Lines 3 and 4 will be credits and debits for "Rail charges"

Lines 5 and 6 will be credits and debits for "Customs charges"

Lines 7 and 8 will be totals of above credits and debits

Line 9 will be left blank as a space between Stores Orders

Each Stores Order will be given an Item (or Job) number as before In order to discriminate, when making allocations, between credits or debits for "Stores", "Rail Charges", and "Customs Charges", these will bear the same Job Number as the Stores Order followed by the letters (S), (R), and (C), respectively

(4) G 4 Manufactures (See para 44)

A single Expense Ledger for each manufacturing operation involving an outlay of over Rs 10,000

No Job Ledgers required

(5) G 5 Workshops (See para 45)

A separate Expense Ledger per Workshop for each of the following —

Materials at Site
Direct Charges
Overhead Charges

Job Ledgers in connection with the Direct Charges and Overhead Charges Expense Ledgers will be maintained as laid down in para 45 (k) (vi) and (l) (v)

(6) G 6 Military Engineer Services—Advances

No Expense Ledgers or Job Ledgers required [see para 46 (c)]

Main Head R—XXXVIII Military Engineer Services, Revenue

A single "Revenue Ledger" for the C R E [see para 54 (a)], maintained on the Expense Ledger Form (I A F W-2242, Serial No 59), with a Job Ledger

"Jobs" will be the sub-heads and detailed heads given in Appendix I which may be further sub-divided, if necessary, for the purpose of statistical information

Detailed Estimates and Requisitions in support of Jobs are not required

NOTES—

1 No reference has been made above to Expense Ledgers maintained in connection with M A S accounts or Minor Manufactures

Whenever a M A S account [see para 50] or a Minor Manufacture [see para 44 (d)] is authorised a separate Expense Ledger subsi-

APPENDIX V.

Recoveries

[See para 54 (*d*)]

The rules for regulating the exhibition of recoveries of expenditure in Government Accounts (issued by the Auditor General in exercise of powers conferred upon him by Rule 20 of the rules framed by the Secretary of State in Council under Section 96-D (1) of the Government of India Act) are reproduced below —

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1 * * * * * * *

2 The term 'recoveries' as used in these rules should be understood in the sense of repayments by another Government Department or an outside body, or person, of expenditure initially borne by a Government Department and recorded as such in its account

3 Recoveries from private persons or bodies (including local funds, Indian States and Governments outside India) should, as a general rule, be treated as revenue and not as deduction from expenditure

Exceptions

(*i*) When a Government undertakes a service merely as an agent of a private body so that the entire cost of the service is recovered from that body the net cost to Government being *nil*, the recoveries may be taken in reduction of expenditure

(*ii*) Recoveries of expenditure on works in progress and transactions of stock and other suspense accounts —

The technical estimates take cognisance of all anticipated receipts from sale proceeds of materials, plant etc, received from the old structure while the receipts under " Stock and Suspense are by their very nature inseparable from the expenditure recorded under the main head It is therefore, proper that recoveries falling under these two categories should continue to be treated as reduction of gross expenditure

4 As between two or more Governments as defined in Article 33-A of the Civil Account Code (see note below)

(*a*) If the recoveries represent no more than debits to another Government of expenditure which was so debitable from the moment it was sanctioned, they should not be treated as revenue of the Government effecting the recoveries but as deduction from expenditure

(*b*) In the case of joint establishments where the expenditure is not shared by two or more ... d by one of the Government ... the repayment, if made ... still open, should be treated

(*c*) Recoveries of the classes falling under (*a*) and (*b*) if effected after the closing of accounts of the year in which the expenditure was incurred, should be treated as revenue

(*d*) All other recoveries should be credited as revenue of the recovering Government whenever they are received

... ernment, the re- ... penditure except ... which should be

NOTE —The term 'recoveries by a Commercial Department' for the purpose of this rule is intended to apply to recoveries in respect of services rendered to other departments in pursuance of the proper functions *for* which the Department is constituted that is to say in the case of the Posts and I ... treated as receipts only when they ... or Telephone services rendered t ... a Commercial Department acts ... discharge of functions

APPENDIX VI

Statement showing arms and departments of the Service for which separate statistics are required to be maintained on account of entitled M E S supplies of water and electric energy

[See para 56 (m)]

1 British Cavalry
2 Indian Cavalry
3 R H A
4 R F A.
5 Light and Mountain Artillery
6 Medium Artillery
7 Heavy Artillery
8 Training Centres Artillery
9 Engineers
10 Pioneers
11 British Infantry
12 Indian Infantry
13 Royal Tank Corps
14 Indian Signal Corps
15 Reservists
16 Governor General s Body-Guard
17 Educational institutions including medical colleges and schools
18 Indian Army Service Corps (excluding bakeries and butcheries)
19 Remount depots and breeding operations
20 Indian Army Veterinary Corps
21 Indian Army Ordnance Corps
22 Medical services
23 Military Accounts Offices
24 Military Estates
25 Army Headquarters Commands Districts and Brigades
26 Auxiliary and Territorial Forces
27 Inspectors of Lethal weapons and general stores
28 Miscellaneous units and formations
29 M E S Non-costed

M

Y